Daily Report

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NOTICE TO READERS: An * indicates material not disseminated in electronic form.

ERRATUM: This issue contains a corrected version of "Mexico: Rural Social, Private Sector Groups Identified," which was originally published in the 25 november LATIN AMERICA DAILY REPORT.

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LAIA Group To 'Redesign' Montevideo Treaty

PY0512132692 Buenos Aires TELAM in Spanish 0133 GMT 30 Nov 92

[Text] Buenos Aires, 30 Nov (TELAM)—The representatives to the (?6th) meeting of ministers of LAIA [Latin American Integration Association] countries this evening decided to create an ad-hoc working group to study the adjustment of the Treaty of Montevideo to current economic and commercial requirements.

The council of ministers, which this evening met at the Alvear Hotel—where foreign ministers from Rio Group countries were also meeting—noted it is necessary to restructure LAIA to adjust it to the new economic integration processes in the region. The working group, which will consist of one representative from each LAIA country, should submit a detailed report for the next LAIA meeting, which is to be held in Santiago in March.

Uruguayan Foreign Minister Hector Gros Espiell, who during a break spoke on behalf of the council of ministers, said there is a consensus among LAIA countries to designate Brazilian Antonio de Cerqueira Antunes as the new head of the organization.

The council of ministers unanimously supported the designation of Cerqueira Antunes, who will replace Colombian Jorge Ordonez, whose term will end at the beginning of 1993. The other candidate to replace Ordonez—Chilean Augusto Bermudez—withdrew his candidacy.

Gros Espiell said the ministers agreed on the need to "redesign LAIA and on the functions it will play considering the economic situation, especially in connection with integration processes like NAFTA [North American Free Trade Agreement] and Mercosur [Common Market of the South]."

During the meeting, the ministers considered several resolutions, among them a master agreement on the provision of services in the region, the improvement of computerized services to support small and mid-sized enterprises, and relations with various social groups, especially the labor class.

LAIA is made up of Argentina, Bolivia, Brazil, Colombia, Chile, Ecuador, Mexico, Paraguay, Peru, Uruguay, and Venezuela.

River Plate Basin Ministers Meet in Uruguay

PY0712173192 Madrid EFE in Spanish 0021 GMT 6 Dec 92

[Text] Punta del Este, Uruguay, 5 Dec (EFE)—Uruguayan Foreign Minister Hector Gros Espiell has said that following today's meeting at this beach resort, the River Plate Basin Treaty has entered an open, dynamic, and renovating process of development.

He said this in a news conference following the conclusion of the deliberations among the foreign ministers of Argentina, Bolivia, Brazil, and Paraguay, the members of Fonplata [River Plate Basin Development Fund].

In a brief meeting, the five countries agreed to revitalize the cooperation mechanisms of the system in face of the challenge imposed by the intensification of economic relations for regional integration. Gros said the River Plate Basin Treaty has made much progress since 1969 and "it is a visionary and flexible agreement that must continue to be the framework of an open process."

The chief of Uruguayan diplomacy commented on the importance of the approval of the statutes of the Inter-Governmental Committee of the Parana, Paraguay, and Uruguay Rivers "as a relevant step toward the institutionalization of such an ambitious project."

The river waterway, which will extend from Puerto Caceres, Bolivia, to Nueva Palmira, Uruguay, will constitute an important outlet to the sea for the products of the mediterranean region of South America.

The Foreign Ministers of Argentina, Guido di Tella; Paraguay, Alexis Frutos Vaesken; Bolivia, Ronald MacLean; Brazil, Fernando Henrique Cardoso; and Uruguay, Hector Gros Espiell, approved the statute of the river waterway to incorporate it to the River Plate Basin Treaty.

The Argentine foreign minister said the River Plate Basin mechanism was at a standstill because of the way bilateral relations were maintained during the times of the military governments of the 1970's. Di Tella said that now, with the democratic process, bilateral and regional relations have improved. He said "the quickness and efficiency" with which the river waterway has been established "is the clearest signal that the countries of the region are aware of the need to adapt the existing physical integration mechanisms to the new reality of relations in the region."

Brazilian Foreign Minister Cardoso said the River Plate Basin "is an essential political forum for cooperation." He mentioned the physical infrastructure works undertaken in the past few years, ranging from the construction of hydroelectric dams, highways, bridges, to water quality control.

MacLean, chief of Bolivian diplomacy, said after the meeting that from the Bolivian point of view, "current times force us to seek broad intersection for the integration processes of the region." He said the waterway constitutes, "the central axis of the River Plate Basin Treaty."

Paraguayan Foreign Minister Frutos Vaesken said the River Plate Basin Treaty, like the Treaty of Asuncion through which the Mercosur, [Common Market of the South] was created, "constitutes the juridical instruments that interpret the desire for integration of our peoples," adding that "we can give it continuity, effectiveness, and reality."

Frutos Vaesken expressed the commitment of Paraguay, whose entire territory is in the basin, to a level of integration that will benefit "the people who want a better standard of living."

Cuba

Communist Party Member Joins Opposition Group

PA0812180392 Mexico City NOTIMEX in Spanish 1729 GMT 8 Dec 92

[Text] Havana, 8 Dec (NOTIMEX)—(Carlos Goicolea), a Cuban Communist Party (PCC) nucleus leader, decided today to join the socialist democratic opposition, and he called on the government to initiate a national dialogue leading toward profound political openness.

(Goicolea), who was reelected a few months ago as secretary general of the PCC Provincial Housing Directorate nucleus in Havana, announced on 8 December his affiliation with the internal opposition to the Cuban Government.

According to dissident organizations, the communist leader questioned the ideological legality of the so-called "Rapid Reply Brigade" established to "suppress dissidents by force".

(Coicolea) is the second Cuban in less than a week to decide to join the internal opposition spectrum in Cuba.

Foreign Trade Official on Imports, U.S. Embargo

PA0912024792 Hamburg DPA in Spanish 2007 GMT 8 Dec 92

[Report by Victorio M. Copa]

[Text] Havana, 8 Dec (DPA)—In addition to the general deterioration in trade, Cuba is presently facing additional difficulties as a result of the U.S. embargo, a Foreign Trade Ministry source said on 8 December.

"Despite the increase in prices every country is paying, the island has to add additional payments as a result of the blockade," Aleida Garcia, responsible for imports at the Foreign Trade Ministry, told DPA.

Cuba has lost nearly half of its imports, estimated at approximately $4 billion, because of the collapse of its commercial ties with Eastern Europe and the former Soviet Union, its main ally and largest supplier for three decades.

The island uses the strong currency obtained through tourism services and its traditional exports—such as sugar, nickel, seafood, citrus, and tobacco—to purchase petroleum and other key materials, such as fertilizers.

Garcia said Cuba has lost more than $2 billion in revenues alone as a result of the reduction in sugar sales.

She explained that now Cuba is being forced to accept the international market prices instead of the preferential prices offered by the defunct USSR.

The current harvest of sugar cane in Cuba, which has been estimated at less than that for the past period (1991-92), began under the threat of a severe shortage of fuel and other products, especially fertilizers.

According to the official, beginning with the imposition of the U.S. blockade in 1962, the island has had additional freight expenses of over $5 billion because Cuba has been forced to purchase products in Europe that it could not buy in traditional neighboring markets.

Garcia explained that about $3 billion in additional financial expenses, namely payment guarantees and other banking services, have been added to the increase in freight expenses for the imports.

In her opinion, "a very important aspect that is seldom analyzed is the effect on Cuba of the high level of inventory that has been maintained given the reduction [alejamiento] of the supplying sources."

Another element that, according to Garcia, increases the price of Cuban purchases is the difficulty in finding important products for industry, for which Cuba has not only paid high prices but was even recently forced to invest large sums of money in air freights to avoid the paralyzation of the industrial sector.

Regarding the new difficulties stemming from the Torricelli Amendment, the government source said "the effects of the legislation that tightens the restrictions on the island can already be seen."

Garcia revealed that some ship owners have refused to charter their ships to Cuban ports because of the consequences of the implementation of the U.S. legislation.

In a recent appearance on local television, Carlos Lage, new executive secretary of the Council of Ministers, said that of approximately 15 million tons of merchandise—imports and exports—that Cuba hopes to handle in 1992, the national fleet can only transport about 3 million tons.

Lage valued the costs of the U.S. embargo at $38 billion, although he warned that "it is very difficult to estimate its effects, because they reflect on all activities and complicate, in one way or another, the development of the local economy."

Haiti

National Assembly CEP Resolution Presented

FL0912005192 Port-au-Prince Radio Nationale in French 1130 GMT 8 Dec 92

[Text] We are now reading to you the resolution by the office of the National Assembly:

In view of Articles 95.3 and 98.3, paragraphs 7, 101, 116, 159, 191, 192 and 206 of the Constitution; in view of Article 55 of the 9 July 1990 electoral law; in view of the

20 May 1992 law, ratifying the 8 May tripartite agreement of the Villa D'Acceuil; in view of the decrees convening the National Assembly on 25 and 30 November; considering that renewal of a third of the Senate is an imperative provided for in Articles 95.3 and 192 of the Constitution, which none of the three powers can oppose, on pain of [word indistinct] and that the non-accomplishment of this imperative formality is of such a nature to draw incalculable consequences on the state's continuity in the regular running of the republican institutions.

Considering that it is important to fill the empty seats in the Chamber of Deputies and in some mayoral offices; considering that in order to form the Permanent Electoral Council provided for in Articles 191 and 192 of the Constitution, the executive and judicial powers have already fulfiled the requirements from the proposals submitted by the departmental assemblies; considering that despite two regular and legal convenings on 25 and 30 November, some senators deliberately chose to be absent, invalidating with one vote the quorum of 13 members provided for by the 13 May resolution, and that the survival of the national institutions demands urgent preparation for such lapses by resorting to solutions demanded by circumstance; by these intentions, the office of the National Assembly and the undersigned members, the majority in the parliament, on the report of the ad hoc bicameral commission regarding the selection of the candidates regularly registered by the departmental assemblies for the posts of Permanent Electoral Council members, agreed and decided on the following:

Article 1: Is acknowledged an exceptional situation;
Article 2: Appointed as members entitled to hold a seat in the Electoral Council are the citizens whose names follow: Bernadotte Larosiliere, Ulrick Desire, Joseph Apolon.
Article 3: The citizens mentioned in Article 2 carry their duty in the modes and conditions provided by the Constitution and the law ad interim until their confirmation by the National Assembly.
Article 4: A certified copy will be addressed, following publication, to each one of them. Signed in the Legislative Palace in Port-au-Prince on 3 December 1992, the 189th year of the independence.

The signatures of 60 parliamentarians follow.

Parliamentarians' CEP Representatives Announced

FL0812171792 Port-au-Prince Radio Nationale in French 1130 GMT 8 Dec 92

[Text] In this exceptional case, 60 parliamentarians, in a resolution, have appointed three members to be seated on the Permanent Electoral Council, CEP. Let us read the letter addressed to Prime Minister Bazin, announcing these appointments:

Because of the lack of quorum in the Senate of the Republic, the National Assembly convened on 25 and 30 November was not held to work toward the formation of the CEP, which has as one of its first missions that of holding elections for the renewal of a third of the Senate, in conformity with Article 95.3 of the Constitution.

Aware of the serious danger to the democratic process if senatorial elections were not held to fill the vacuum to be created by the end of nine senators' mandates, some sixty parliamentarians met and decided to appoint, in this exceptional case, three persons among those proposed by the departmental assemblies of Artibonite, the Center, and the South.

The appointments made under those conditions do not comply at all with the constitutional provisions for the appointment by parliament of three members to the CEP. Therefore, we invite you to consider this council as an Exceptional Electoral Council.

Attached is the text of a resolution signed by deputies and senators. We invite you to believe that the only concern of the National Assembly Office and of the parliamentarian signatories is saving national institutions and preserving what can still be democratic assets. In the expectation of fortunate results, we remain, yours truly, Engineer Dejean Belizaire, Senate president; Reverend Ebrane Cadet, first secretary of the National Assembly; Mr. Milcent Datus, vice president of the Chamber of Deputies; and Mr. Georges Pierre Simon, second secretary of the National Assembly.

This is the letter from the National Assembly Office, addressed to the prime minister, His Excellency Marc Louis Bazin.

St. Lucia

Windwards 'Satisfied' With British Proposals

FL0712211292 Bridgetown CANA in English 1846 GMT 7 Dec 92

[By Peter Richards]

[Text] Castries, St. Lucia, Dec 7, CANA—The Windward Islands were reported Monday [7 December] to be "satisfied" with new British proposals related to the future of their banana exports to Britain.

A St. Lucia Government statement said the proposals were discussed during a meeting here Sunday involving British Agriculture Minister John Gummer and Windward Islands officials including St. Lucia Prime Minister John Compton and Dominica Prime Minister Dame Eugenia Charles.

The statement gave no details of the proposals but said Gummer believed they "... Address the concern of the Windward Islands and other Caribbean producers and meet Europe's obligations enshrined in the Lome Convention, while not offending the terms of the GATT negotiations now approaching completion."

The statement said Windward Islands officials were "satisfied that the gummer proposals represent a serious attempt to break the deadlock and provide a satisfactory solution to the banana problem." With Europe moving towards a single market, Latin American banana exporters have been campaigning for the adoption of a free trade regime to govern the sale of bananas in the post 1992 single market—a move that would mean the end of preferential access which Caribbean bananas enjoy under the Lome Convention.

The current Uruguay round of the GATT (General Agreement on Tariffs and Trade), referred to in the St. Lucia Government statement, targets agriculture as an area where global trade can be liberalized. As a follow-up to the discussions with Gummer on Sunday, Windward Islands Government ministers are planning to visit Brussels during the week of December 13 for further discussions with European agriculture ministers. Gummer left for Brussels after the meeting where European Community agriculture ministers were expected Monday to discuss new rules which will govern the sale of bananas in Europe after the single market comes into being next year.

A British diplomat who attended Sunday's discussions here described the meeting as "very cordial." He declined to comment on the substance of the talks, saying it was "necessary ... that these negotiations and discussions are conducted on a confidential basis."

St. Vincent and the Grenadines

Attorney General Defends Project With Italians

FL0412191092 Bridgetown CANA in English 1726 GMT 4 Dec 92

[Text] Kingstown, St. Vincent, Dec 4, CANA—St. Vincent and the Grenadines Attorney General, Parnel Campbell, has defended a conroversial U.S. 75 million dollar beach front development project being undertaken jointly by the government and Italian interests.

The project which provides for the establishment of a luxury shipyard marina and ancilliary facilities at Ottley Hall, a stone's throw from the capital Kingstown, has drawn strong opposition from the St. Vincent Labour Party and the Movement for National Unity.

The parties are opposed to the government's guarantee for an EC 135 million dollar (one EC dollar ; 37 US cents) loan for the project, the lease for 99 years of the beach and the conferring by parliament on Prime Minister James Mitchell of sweeping authority to undertake transactions relating to the project.

The parties also cited what they said was the clandestine manner in which negotiations for the project were being conducted.

"We are perfectly satisfied with the legal arrangements for the company's structure involved in Ottley Hall," Campbell said of the Caribbean Charter and Yacht Yard Limited, the company established to undertake the project.

The St. Vincent and the Grenadines Government owns 49 per cent of the company while the remaining 51 per cent is owned by the Italian investors.

"We have to go forth in the 21st century as responsible people and where the responsibilities are large, we have to be prepared to shoulder them if the end product means the further development of our people and our resources," Campbell said on national radio and television.

He was one of two persons intimately involved in the project who have gone on the national electronic media to defend the project. Campbell said that the government's guarantee of the loan was an expression of faith in the project.

The Ottley Hall project, expected to employ an initial 40 Vincentians, is one of several controversial development projects undertaken by the incumbent government. Blasting and excavation work on the project began about three weeks ago.

Trinidad and Tobago

State Water, Sewer Workers End 2-Week Strike

FL0412163492 Bridgetown CANA in English 1510 GMT 4 Dec 92

[Text] Port of Spain, Trinidad, Dec 4, CANA—Employees of the State Water and Sewerage Authority (WASA) returned to work Friday [4 December], ending two weeks of protest action that left several areas of Trinidad and Tobago without water.

The move came after WASA and the Public Services Association signed a 12-point agreement ensuring payment of seven million dollars (one TT dollar - 23.5 US cents) on or before December 15, 1992.

This represents part payment of arrears of cost of living allowance (COLA) awarded to the workers by the Industrial Court.

The other three million dollars will be paid on or before February 28, 1993, according to Thursday's agreement.

President of the Public Services Association Dr Kenrick Rennie, warned on Thursday that the entire public service "will make a statement" in response to pronouncements by government ministers that the debt owed to public servants would be addressed in 1994.

Speaking at a press conference, Rennie said the government's position was that talks would begin by mid-1994 and this was totally unacceptable to the union.

Rennie said it was quite clear that letters and talks did not work and only protest action produced results. He said his union had begun mobilisation action even before the WASA situation broke, but matters there had overtaken the priorities.

He pointed to a number of issues which were prompting protest action from public service workers. These include the high incidence of acting positions and the privatisation and decentralisation of the health sector.

Rennie said the public service reform touted by the government had become derailed since the implementation committee which included public sector union officials had not met for three months.

Union Vice President Clyde Weatherhead, pointed out that while government spokesmen put the debt at 2.5 billion dollars, the true figure was closer to three billion dollars since increments had not been added to salaries for six years although the Industrial Court had ordered they be paid.

* Rural Social, Private Sector Groups Identified

93CA0019A Mexico City ESTE PAIS in Spanish Sep 92 pp 9-15

[Report by journalist Gerardo Roman Ruenes, contributor to PROCESO, PUNTO, and the daily EL FINANCIERO]

[Text] The peasant movement has undergone structural changes over the past 10 years. Bringing production into the traditional purview of peasant organizations has, in some cases, forged new paths for the federations' struggle for land and, in others, has substituted the goal of higher output and productivity for this struggle.

The new approach to the peasant struggle, as defined by its determination to take control of all stages of the production process, including marketing and transportation, has brought countless new economic enterprises into the already complex landscape of these organizations. Some are independent; others are affiliated with the traditional federations. Yet they continue to spread and join together, thus ceaselessly increasing the number of new groups in rural areas.

As a result, the organizational map, which has been marked by atomization and dispersion since the turn of the century, has expanded with this new culture of production, especially if we bear in mind that the new culture has not permeated the various peasant and Indian groups uniformly, since their development has depended on their levels of social and economic organization.

The new business approach to the land among peasant groups in the social sector has outstripped the approach of the major peasant federations, whose aim is political control.

Although these federations still exist, peasant initiative has concurrently given rise to forms of organization that are reflected in the creation of new legal categories, such as: Union of Ejidos, Credit Unions, Agricultural Unions, Rural Association of Collective Interest, Cooperative Societies, Production Societies, and Social Solidarity Societies, among many others. Production and economic-organization projects are being pursued within all of them.

Although the modifications in official policies toward the rural sector have induced changes within the organizations in recent years, the impact of the reforms of Article 27 of the Constitution and the law regulating it surpassed all predictions. In some organizations there were rifts, leading to the establishment of new groups. In others, leaders departed owing to political disagreements with their colleagues. And still others underwent internal crises that they put behind them or are still addressing through negotiations.

If this is what the panorama inside the groups looks like, the picture on the outside is no better. The coordination achieved in the Permanent Agrarian Congress (CAP) by its affiliated organizations suffered a serious blow, as two fundamental and differing factions emerged: those who approved of the government's proposals for amending the Constitution and those that did not. (The affiliated organizations are: CAM [Mexican Agrarian Council], CCI [Independent Peasants Federation], CCC [Cardenist Peasant Federation], CIOAC [Independent Federation of Agricultural Workers and Peasants], CODUC [Coalition of Urban Democratic and Peasant Organizations], UGOCM [General Union of Workers and Peasants of Mexico], UGOCP [Popular Peasant and Workers General Union], UNORCA [National Union of Autonomous Regional Peasant Organizations], UNTA [National Union of Agricultural Workers], Alcano [Peasant Alliance of the North], and CNC [National Peasant Confederation].)

In the wake of this crisis, which has cast doubt on the feasibility of alliances among peasant groups, the leaders of the 11 CAP federations have made it a point to salvage unity proposals, so much so that in recent months the idea has emerged of creating a new umbrella organization whose main objective would be economic coordination among the peasants.

Whatever path is eventually taken, the purpose of this article is to provide an overview of the groups in the country today.

At the urging of the secretary of agrarian reform, Victor Cervera Pacheco, and owing to the concern of the president of the Republic, Carlos Salinas de Gortari, on 6 January 1989 the CNC called on "all progressive movements struggling for the social, economic, political, and cultural welfare of the peasants to establish a pluralist and democratic forum in which disagreements and disputes can be settled through dialogue and political consensus-building."

The history of the forum is as follows:

6 January: CNC leader Maximiliano Silerio Esparza calls for the creation of a Permanent Agrarian Congress in Veracruz.

20 January: Silerio Esparza makes his invitation official in a "letter for peasant unity" sent to leaders.

25 January: The main peasant organizations meet with the president of the Republic, Carlos Salinas, to introduce themselves and convey their desire for unity.

28 January: The commission to establish the CAP is formed. It consists of: the CAM, CCI, CIOAC, the Peasant Unity Organizing Commission (today CODUC), the 400 Pueblos National Movement (some months later it withdrew from the CAP), UGOCP, UNORCA, UNTA, and the CNC.

16 March: These organizations sign the Accord for Unified Action, in which they establish an agenda that will lead to the formation of the CAP.

10 April: The 11 organizations issue the call for the creation of the CAP.

25 and 26 May: They hold the National Constituent Assembly in Mexico City. Alcano joins.

The Agreement on Peasant Unified Action could be regarded as the immediate predecessor of the CAP; it was set up on 28 November 1988 by 12 peasant organizations without ties to the government. Seven of the federations

that later joined the CAP were involved in this organization: CIOAC, UNORCA, UGOCP, UNTA, the former Peasant Unity Organizing Commission, CCC, and the 400 Pueblos National Movement.

The so-called Ocampo Pact was another government effort to organize the peasants. At the request of the UGOCM in 1972, the secretary of agrarian reform, Augusto Gomez Villanueva, established a peasant coalition that he called the Permanent Agrarian Congress. The Ocampo Pact arose two years later with government-aligned organizations: CNC, CCI, UGOCM, and CAM. Land takeovers took place in Sonora and Sinaloa in 1976 under the protection of the Ocampo Pact, shortly before the end of President Luis Echeverria's term.

The earliest forerunner of the CAP, however, is the Organizing Committee of Peasant Unification, which President Lazaro Cardenas created in 1935 with several leaders of the National Revolutionary Party (PNR): Emilio Portes Gil, Gabino Vazquez, Ernesto Soto Reyes, and Graciano Sanchez, among others. It was through the PNR that the peasant organization was promoted and that the CCM [Mexican Peasant Confederation], the PNR itself, the CTM [Confederation of Mexican Workers], and the Communist Party were brought to the negotiating table to sign a pact for a popular electoral front. This pact enabled several communists to occupy key positions in the CNC later on.

Note

The social sector in the countryside:

In connection with the table of social-sector organizations below, the following points should be kept in mind:

1) The peasant organizations lack reliable data on the number of their affiliates. This is a result of their ineffectiveness in settling agrarian disputes among ejido members or minifundistas [farmers with very small landholdings]. As a result, peasants often belong to more than one federation or group, and therefore a single case may at times be handled by more than one organization.

2) Some of the figures in the table are the result of estimates and approximations by organization leaders.

3) The table shows first the organizations that belong to the CAP and then the ones that do not. Also, it is arranged around three chief traits: organization, political position, and ideological leaning.

4) Various sources were used in compiling the table: internal and external documents of the organizations, bibliographical material, and interviews with or statements from leaders or members of the groups.

5) The table is not exhaustive. It includes only those national or regional groups whose struggles, accomplishments, or organizations are of major significance on the political scene.

The Private Sector in the Countryside

Organization	Date Established	Circumstances of Establishment	Sphere of Influence	Affiliates	Party Profile	Current Goals	Production Projects	Hectares
National Confederation of Small Property Owners	1945	Emerged during Aleman's six-year term to defend against takeovers by land reform advocates	National	Represents 2 million small landholders	Originally independent, joined PRI in 1970	To boost output, productivity to compete on free market	Has 10 national unions in sugarcane, coffee, wheat, sorghum, corn, beans, aquaculture, forestry, etc.	Owns one-third of farmland, almost 60 million hectares
National Livestock Confederation	1936	Created by President Cardenas' decree to improve ranching	National	66 regional livestock unions, 1,700 local associations; there are 900,000 large-scale ranchers	Cannot by law belong to a political party	To apply methods that will boost profitability, to regulate the market for social purposes	Credit union, packing and cold-storage plants, consumption cooperatives	60 percent of the country's land is for ranching
Confederation of Autonomous Associations of Sinaloa State	1932	Created by state governor's decree in response to agrarian land distribution	Regional: Sinaloa	10 unions representing some 25,000 producers	Cannot by law belong to a political party	To boost production to compete better in exports	Each union has its own production projects by branch	Comprises 250,000 hectares of the 780,000 available for irrigation
National Agricultural Council	1984	Arose to represent private enterprise in the farm sector	National	Includes 80 groups, 30 of them producers organizations by branch	Considers itself nonpartisan	To boost investment in the countryside and to create State Councils	Each group has its own projects, and 50 of the 80 are agroindustries	—

Source: Gerardo Roman

The Social Sector

Organization	Date Established	Circumstances of Establishment	Initial Goals	Sphere of Influence	Affiliates	Makeup of Membership	Ideological Profile
Alcano-Sonora	Sep 85	Amid protests over low guaranteed prices	Boost guaranteed prices	Yaqui, Mayo valleys; Guaymas, Hermosillo	6,000 in 79 ejidos	Ejido members, tenant farmers, small landholders, minifundistas	Economic approach
Alcano-Sinaloa	Sep 85	Rallies to protest low guaranteed prices for wheat and soybeans	Boost guaranteed prices	Municipalities of Ahoma, El Fuerte, Guasave, Angostura, Mocorito	6,000 on 47 ejidos	Ejido members and minifundistas	Autonomous and pluralist
UNORCA	Mar 85	Union of 23 peasant groups to control production	Economic development and answers to production and marketing problems	Sonora, Sinaloa, Zacatecas, Baja California, Chihuahua, Huastecas, Chiapas, Guanajuato, Michoacan, Guerrero	More than a million peasants	Peasants, communal landholders, small landholders	Pluralist and heterogeneous; leadership is close to the Salinas group
CIOAC	1975	Organize farm hands and day laborers	Raise living standard of day laborers	Chiapas, Puebla, Guerrero, Baja California, Chihuahua, Durango, Sonora, and 16 other states	100,000	Ejido members, minifundistas, communal landholders, day laborers	Heterogeneous rank and file
UGOCP-Margarito Montes	Nov 86	Political accord among three leftist factions	Organize and heighten awareness of workers	Papaloapan Valley (Veracruz, Oaxaca), Puebla, Tlaxcala, Sonora, Guerrero, Morelos, Chiapas, Sinaloa, Campeche	50,000 or 60,000 active members	Ejido members, communal landholders, small landholders, colonia [urban community] residents	Class-based
UGOCP-Valero	Nov 86	Political accord among three leftist factions	Organize and heighten awareness of workers	Northwest, Jalisco, Nayarit, Huasteca region, the Hidalgo, Veracruz, San Luis Potosi portions of the Huasteca region, northern Veracruz, Mexico State, northern Chiapas	200,000 active	68 percent urban and 32 percent peasant	Spur class struggle and combat exploitation
UNTA	Aug 78	As PST project, to organize coffee and tobacco growers	Up guaranteed coffee and tobacco prices and struggle for land	Chiapas, Veracruz, Hidalgo, San Luis Potosi, Tamaulipas, Tabasco, Yucatan, Campeche, Guerrero	50,000	Peasants and farm day laborers	Scientific socialism
CODUC	—	As PMS party work	Raise living standard of peasants and expand land grants	Guanajuato, Veracruz, Tabasco, Tlaxcala, Campeche	15,000	Ejido members, land petitioners, small landholders, communal landholders, tenant farmers	Trade union, class-based organization

in the Countryside

Party Profile	Current Goals	Backlog of Land Title Disputes	Cases in Dispute	Production Projects	Loans	Splits	Stand on Reform of Article 27
Most leaders belong to CNC-PRI	Develop stockholding companies: private sector/ ejidos	Does not handle land applications	—	12 economic agencies; self-insurance funds; marketing committees, among others	Banrural, private banks, Pronasol	ARCI-Jacinto Lopez disavowed leader Juan Leyva for backing reform of Article 27 (1991)	For
Independent (Alcano-Sonora considers it close to the PRD [Party of the Democratic Revolution])	Consolidate economic organizations with a business approach	—	—	Ejido unions and social solidarity associations	—	Alcano leadership vis-a-vis CAP was disavowed (1991)	Against because it privatizes farmland
None	Take over the production chain	Signed land disputes release with Agrarian Reform Secretariat (SRA)	600	40 member groups have regional development projects	Pronasol, Solidarity Enterprises, Banrural, commercial banks	—	For, without consensus of organizations
National leadership feels close to PRD, and local leaders have multiparty affiliation (PT [Labor Party], PAN, PRI)	Control production process, organize day laborers	Has not signed release on land dispute backlog	420	80 social solidarity associations	Banrural, commercial banks, Solidarity Fund	—	Against
Pluralist, though close to PRT [Revolutionary Workers Party]	Boost productivity (80 percent of members own land)	Signed release on land dispute backlog	400	8 areas of regional development	Pronasol, Banrural, commercial banks	Break with Valero UGOCP over Article 27 reforms	For
None, though close to Alejandro Gazcon's PRS [Party of the Socialist Revolution]	Create a new peasant federation	Has not signed release on land dispute backlog	80	28 production projects	2 Banrural loans	Virtual split with Margarito Montes UGOCP (1992)	Against
Has belonged to PST, PMS [Mexican Socialist Party], and now PT	Organize growers and day laborers, struggle for land	Has not signed release on land dispute backlog due to lack of consensus among leadership and rank and file	335	15 projects	Solidarity Enterprises, Pronasol, and Sedeso [Social Development Secretariat]	—	Noncommittal
None	promote production projects	Signed release on land dispute backlog	327 (300,000 hectares)	60 projects with possibility of another 60	Banrural, Pronasol, Fira [Trust Instituted for Agriculture], and/or commercial banks	—	Noncommittal

The Social Sector

Organization	Date Established	Circumstances of Establishment	Initial Goals	Sphere of Influence	Affiliates	Makeup of Membership	Ideological Profile
CCC	Apr 88	Arose from an UNTA splinter group when PST changed names	Justice and freedom in the countryside; comprehensive reform of and an end to agrarian land distribution	States of Mexico, Hidalgo, Veracruz, Guerrero, Tamaulipas, Chiapas, Oaxaca, Jalisco, Nayarit	290,000 officially	Peasants and day laborers	Socialist in alliance with revolutionary nationalist sector
CNC	Aug 38	1935 presidential decree	Unify peasant movement	National	3 million ejido members	Peasants, tenant farmers, ejido members, manufacturers, day laborers	Revolutionary nationalist
CCI	Jan 63	Alliance of PRI and communist groups	Struggle for land	Baja California, the Laguna Region, Sonora, Morelos, 25 other states	2 million (dissidents in federation estimate 300,000)	Peasants, day laborers, tenant farmers, land petitioners	Principles of the revolution
CAM	Sep 70	CCI splinter group	Struggle for land	The Hidalgo, Veracruz, and San Luis Potosi portions of the Huasteca region, Sinaloa, Colima, Guanajuato, 25 other states	100,000 active members	Land petitioners, peasants, and day laborers	Principles of the revolution
UGOCM-Jacinto Lopez	1949	Expulsion of Lombardo Toledano	Finish agrarian land distribution	States of Mexico, Michoacan, Sonora, Baja California Sur, Sinaloa, Nayarit, Veracruz, and Oaxaca mainly	100,000	Ejido members	Marxism-Leninism, Mexican Revolution
Peasant Torch	1975	Rebellion in town of Tecomatlan, Puebla, against cacique	Raise living standard	Disadvantaged rural and urban areas in 27 states	500,000	Poor peasants, tenant farmers, students, and workers	Socialist and revolutionary progressive. Its violent methods have been criticized.
400 Pueblos National Movement	1974	Repressive act in state of Tlaxcala	Land struggle	Veracruz, Tlaxcala, Oaxaca	300 groups	Ejido members, communal landholders, growers	CNC originally
National Coordinating Board for the Ayala Plan (CNPA)	Oct 79	When Jose Lopez-Portillo said there was no land to distribute	Prevent government repression	Veracruz, Oaxaca, Michoacan, Jalisco, Guanajuato, Tlaxcala, Guerrero, Sonora, Puebla, Nayarit, Chiapas, Hidalgo, Zacatecas	—	Poor peasants, political parties, university sectors, unions, Indians, intellectuals, etc.	Social and land struggle

in the Countryside (continued)

Party Profile	Current Goals	Backing of Land Title Disputes	Cases in Dispute	Production Projects	Loans	Splits	Stand on Reform of Article 27
PFCRN [Party of the Cardenist Front for National Reconstruction]	Expand sphere of influence	Has not signed release on land dispute backlog	3,000	28 projects being developed	Consensus-based agreements with SARH [Secretariat of Agriculture and Water Resources] Solidarity Enterprises National Fund	—	For
PRI	Strengthen production sector	Signed agreements with SRA, 11 leagues of agrarian communities	8,730	20 economic organizations, by production branch	Banrural, commercial banks, Pronasol	—	For
PRI	Emphasis on production projects	Signed release agreements on land grants	1,575	100 projects	Banrural, Pronasol	1964, group of communists; 1970, Humberto Serrano group; 1992, CONSUCC [National Council of Associations and Units With Peasants and Tenant Farmers]	For
PRI	Develop economic projects for land petitioners	Signed release on land dispute backlog	350 (20,000 hectares)	—	—	—	Noncommittal
PPS (1949, PRI (1970)	Emphasis on production projects	Signed release accord on land dispute backlog	237 (1 million hectares)	20 projects throughout country	—	Split between J. Lopez and Lombardo Toledano; second split after death of J. Lopez	Noncommittal
PRI	Struggle for better living conditions	Has not signed release on land dispute backlog	80 to 90	12 cooperatives	Pronasol, Banrural, and commercial banks	—	For
CNC/PRI;-PST;PMT [Mexican Workers Party]/PSUM [Unified Socialist Party of Mexico];CNC	The group's 40 leaders are in jail	Has not signed release on land dispute backlog	In May they invaded more than 3,000 hectares claimed in 53 lawsuits	—	—	—	Against
Pluralist, independent	Weakened by rifts, it sympathizes with PT	—	—	—	Pronasol	UGOCP, among many others	Noncommittal

The Social Sector

Organization	Date Established	Circumstances of Establishment	Initial Goals	Sphere of Influence	Affiliates	Makeup of Membership	Ideological Profile
National Coordinating Board of Coffee Grower Organizations (CNOC)	Jul 89	Low world prices; weakening of Inmecafe [Mexican Coffee Institute]; convergence of 25 coffee-grower groups	Receive loans, training, and marketing channels	Oaxaca, Chiapas, Veracruz, Guerrero, Puebla, Hidalgo, San Luis Potosi, Tabasco, Nayarit	60,000	Ejido members, communal landholders, Indians, and minifundistas	Pluralist, autonomous
Democratic Peasant Union (UCD)	April 1991	Formed by peasants from CNC, CCI, CNPA, and others belonging to PRD	Boost public investment in countryside	Baja California, Aguascalientes, Nuevo Leon, Federal District, Michoacan, the Laguna Region, Guerrero, Oaxaca, Jalisco, Veracruz; in 27 states	250,000	Ejido members, communal landholders	Democratic, nationalist
Emiliano Zapata Eastern Democratic Front of Mexico (FDOMEZ)	Feb 86	Union of three independent organizations	Struggle for their lands	The Hidalgo, Veracruz, and San Luis Potosi portions of the Huasteca region	135,000 (270 communities)	Nahua, Huastecan, Tepehua, Otomi Indians	Zapata's ideals; community philosophy
Peasant Convergence (CC)	Jan 91	Political and economic pressure hastened union of 8 economic organizations	Obtain loans, bring about rural development	Michoacan	110 ejidos and communities	Peasants with land on rain-fed ejidos	—
COCEI [Labor, Peasant, Student Coalition of the Isthmus]	1973-74	Student and peasant mobilizations	Respect will of the people, recover communal lands	Isthmus of Tehuantepec, southern Veracruz, part of Chiapas	20,000 in the isthmus	Students, peasants, workers, children, professionals	Leftist, based on own political experience
National Coordinating Board of Indigenous Peoples (CNPI)	Apr 72	Struggles against low income levels and for land	Organize indigenous peoples	Chiapas, Veracruz, Oaxaca, Guerrero, Hidalgo, Tlaxcala, Mexico State	500,000	Indians	Nationalist, communitarian
Independent Front of Indigenous Peoples (FIPI)	Apr 88	A group of Indians left CIOAC to organize their fellow Indians	Propose answer to Indian problems with their cultural elements	Chiapas, Oaxaca, Quintana Roo, Mexico State	39 peoples and communities	Tojolabal Indians	Philosophy of original peoples
CONSUCC	Mar 92	Split from CCI owing to political disagreements with Garzon	Solve agrarian problems, set up peasant enterprises	Baja California, Chihuahua, Sonora, State of Mexico, Guanajuato, 12 other states	350,000	Ejido members, minifundistas, tenant farmers	Revolutionary, modernizing
National Action Party	1986	53d Legislature of Deputies Chamber began lobbying SRA	Handle agrarian affairs	Handles matters in Oaxaca, Sinaloa, Chiapas, Chihuahua, Durango, Mexico State	—	Handles only collective matters, advises individuals	PAN

in the Countryside (continued)

Party Profile	Current Goals	Backlog of Land Title Disputes	Cases in Dispute	Production Projects	Loans	Splits	Stand on Reform of Article 27
—	Organize coffee growers in production networks	—	—	One coffee marketing company, association with small foreign growers	Pronasol, state governments, foreign lending	—	—
Autonomous; most members belong to PRD	Consolidate regional organization	Has not signed release on land dispute backlog	300	—	—	—	Against
Autonomous; belonged to PRI and PST; has ties to political faction of Felipe Martinez Soriano	Legalize 50,000 regained hectares; production loans	Has not signed end to land dispute backlog	Recognition of 8 new population centers, 11,000 hectares in dispute	Fruit-growing and livestock projects	INI [National Indian Institute]-Pronasol	—	Against
Does not represent any party; members belong to PRI and PRD	Develop production projects	—	—	Fertilizer companies, 6 forestry projects, credit union	Unified Development Agreement Solidarity Enterprises	—	Against
Autonomous, PRD	Organize peasants for production, prevent eviction from lands	Has not signed release on land dispute backlog	50	Ranching, handicrafts	Banrural, Pronasol	—	Against
—	Struggle to abolish racism from society	Has not signed release on land dispute backlog	20 suits (50,000 hectares)	Ranching, fruit-growing, forestry	INI-Pronasol Regional Funds	—	Against
—	Rebuild Indian unity, recover land/territory, develop traditional technology	Has not signed release on land dispute backlog	250 suits	Corn, coffee, cacao, honey, chile, art, and handicrafts	—	—	Against
PRI	Incorporate peasants into the country's economic development	Has signed release on land dispute backlog	800 suits	Now setting up 20 Solidarity Enterprises	INI-Pronasol Regional Funds	—	Against
PAN	—	75-80 suits	80,000	—	—	—	For

El Salvador

Cristiani on Atlacatl Brigade Demobilization

PA0912023492 San Salvador Radio Cadena YSKL in Spanish 1700 GMT 8 Dec 92

[Speech by President Alfredo Cristiani at the ceremony to demobilize the Atlacatl Rapid Deployment Infantry Battalion; place not given—live]

[Text] Mr. Vice President; Messrs. members of the Armed Forces High Command; honorable UN representatives; honorable military attaches; Atlacatl Battalion commander, officers, and troops; Reverend Monsignor Freddy Delgado; ladies and gentlemen:

I feel very honored to preside over the ceremony of the demobilization of the Atlacatl Rapid Deployment Infantry Battalion, whose brilliant record is written in the pages of our recent history in which the Salvadoran Armed Forces fulfilled a very important mission during the armed conflict that ended on 16 January when the peace agreements were solemnly signed. Words are not enough to express in the name of our dear homeland the recognition and gratitude to our soldiers, who proudly fought under this battalion's ensign with zeal, discipline, and courage, until attaining the stage we are now entering in which a strengthened democracy opens a new horizon of hope for all Salvadorans.

We recall that in 1981 our fatherland was facing a moment of grave danger due to the aggression unleashed to attain power through violence. During these crucial and difficult moments a powerful arm emerged from the Armed Forces to strengthen liberty, democracy, and the Republic's institutions. This arm of the Army, since the day it was created, became the bastion of the country's defense, complying with the constitutional duty of men in uniform. We are referring to the Atlacatl Rapid Deployment Infantry Battalion, the first unit created in El Salvador to face with a new military strategy the growing threat of unconventional warfare.

The legendary figure of Atlacatl, a symbol of Cuscatleca ancestry, inspired the men in the battalion carrying its name. These men fought with dignity and determination to safeguard our nation's values. This is the battalion's main glory. From the bottom of our hearts we want to pay a tribute of gratitude and affection to all Atlacatl Battalion members who offered their lives and shed their blood for peace, democracy, and the freedom of the Salvadoran people. We recall their sacrifice through its first commander—Colonel Jose Domingo Monterrosa, an example of bravery, patriotism, and the spirit of sacrifice of Salvadoran soldiers.

We also want to express the fatherland's gratitude to all Salvadorans who have had the privilege to belong to the ranks of the Atlacatl Battalion and who, with their heroic acts, have heightened the prestige of our Armed Forces.

We want to take the opportunity to refer to certain aspects of the national peace process. We wish to reassert our endorsement to peace, as we have expr ssed since the first day in office. This makes us work for an authentic peace without subterfuge or revenge. The Armed Forces fulfilled their mission throughout the bloody armed conflict all Salvadorans suffered, and they did so through the institution our Constitution outlines. Their service to our country's liberty and democracy is undeniable and we are proud to recognize this at this solemn and very important moment for the institution, as well as for our country.

People are aware of the patriotic role of their military institution. They recognize the military institution's unselfishness, sacrifices, and courage that stand as examples for our people and the world.

We wish to reaffirm that our peace-seeking efforts and the firmness of our democratic principles will neither be changed nor altered by pressures or provocations of any sort. We will continue to fulfill commitments established by the peace agreements.

As for the existence and mission of the Armed Forces, we wish to say with absolute clarity that they do not hinge on the whim or will of anyone, but on the constitutional mandate that links the birth of our Republic to the creation of the Armed Forces as an institution established to protect it.

It is also important to understand correctly that the demobilization of special units and reduction and reorganization of the armed institution is a logical product of the end of war. The Armed Forces are preparing to fulfill their patriotic role in peacetime. Its permanent professionalization guarantees that it will continue to fulfill its mission in the correct fashion for the country.

Just as we were determined to attain a just and permanent peace from the very first day of our administration, we also want an Armed Forces that will guarantee security and stability for national institutions, and in turn, ensure the citizens will dedicate their energy to productive endeavors.

Messrs. commanders, officers, noncommissioned officers, soldiers, and administrative personnel of Atlacatl Battalion: In my capacity as president of the Republic and commander general of the Armed Forces, I am pleased to convey the fatherland's recognition of your distinguished service in defense of democracy and liberty.

You must feel pleased and proud for unfolding triumphantly the banner of your dear battalion, which displayed the honor, professionalism, and spirit of sacrifice of the military institution through heroic deeds. Rest assured your companeros who fell in combat will forever remain in the hearts of the Salvadoran people as heroes of the fatherland and will always remain on the honor roll of national dignity.

You will now join other activities of the country. I urge you to continue being men of honor and courage at the service of the fatherland. Good bless you and protect your dear families now and always. [applause]

Defense Ministry Communique on Weapons Deadline

PA0912044392 San Salvador Canal Doce Television in Spanish 0300 GMT 9 Dec 92

[Text] The Defense Ministry reported the deadline for the surrender of weapons similar to those used exclusively by the Armed Forces expired on 8 December. In this regard, the Defense Ministry made a last call to those still holding weapons similar to those used by the Army to turn them in at the corresponding military units.

The Defense Ministry issued a communique stating that if this order is not obeyed, military authorities will proceed to confiscate the aforementioned weapons. The report reiterated the only weapons authorized for general use with a corresponding permit are 22-caliber rifles, hunting shotguns, and semiautomatic revolvers and pistols.

Officers 'Skeptical' Over FMLN Break-Up

PA0912033292 San Salvador EL DIARIO DE HOY in Spanish 8 Dec 92 p 3

[Text] Army officers are increasingly skeptical over the announced break-up of the so-called FMLN [Farabundo Marti National Liberation Front] "command."

General Mauricio Ernesto Vargas, deputy chief of staff, on 7 December requested a "little sincerity" from the FMLN after an announcement by guerrilla leader Salvador Samayoa.

Samayoa said at noon on 7 December that starting 10 December, in compliance with the peace agreements, "the FMLN General Command will be declared dissolved and will be replaced by an executive committee, as exists in any other political party, and procedures will be designed accordingly."

Samayoa said: "We feel that since the military structure has disappeared, there is no reason to maintain a general command." Gen. Vargas said that Samayoa's statement is encouraging, even though on many occasions "words were not followed by deeds."

Vargas said the FMLN leaders must stop calling themselves "commanders." Vargas said this term has been used by people trying to imitate followers of Cuba's Fidel. "The degree of imitation reached such a stage that many even grew beards." Vargas added the use of nicknames to identify the "commanders" must also stop and they should use their Christian names because aliases or nicknames are not acceptable identification." [no beginning quotation mark as published] The so-called FMLN "command" is made up by Jorge Shafik Handal, from the Salvadoran Communist Party; Roberto Roca, from the Party of Central American Workers; Joaquin Villalobos, from the People's Revolutionary Army; Leonel Gonzalez, from the Farabundo Marti People's Liberation Forces; and Ferman Cienfuegos, from the Armed Forces of National Resistance.

Groups Present List of Human Rights Violations

PA0912041792 San Salvador Radio Venceremos Network in Spanish 1800 GMT 8 Dec 92

[Text] On 8 December, the nongovernmental Salvadoran Human Rights Commission, CDHES, and the National Union of Salvadoran Workers, UNTS, presented a list of the serious human rights violations of Generals Rene Emilio Ponce [defense and public Security minister] and Juan Orlando Zepeda [deputy defense minister] to the Prosecutor General's Office.

CDHES leader Celia Medrano reported the list only contains cases involving the military officers. She said the files of her organization are open to the Prosecutor General's Office.

[Begin Medrano recording] [words indistinct] we want to point out our files and the testimonies we have gathered are at their disposal. We would like to propose that once an investigation is started, the legal representatives [words indistinct] come to our offices to review—in our installations—the files that contain the information we are presenting on 8 December. [end recording]

UNTS Guillermo Rojas gave details from witnesses or victims on a few cases involving the commanders.

[Begin Rojas recording] Several of the testimonies in the report we have presented on the morning of 8 December present charges against Gen. Juan Orlando Zepeda. For example, there are 13 cases attributed to him when he was the executive officer of the 1st Infantry Brigade in 1982, two cases when he was Army intelligence chief in 1985, 10 cases when he was 1st Infantry Brigade commander in 1988, and 26 cases when he was deputy defense minister in 1989. There are a total of 53 [number as heard] cases attributed to him from 1982 to 1989. [end recording]

Jose Arturo Cruz Salgado, head of the defense [words indistinct] received documents from the humanitarian organizations because the prosecutor general was not in his office.

Nicaragua

* History of Property Issue Outlined

93CA0024D Managua BARRICADA in Spanish 27 Oct 92 p 7

[[Article by FSLN Directorate member Jaime Wheelock Roman]

[Text] In 1979, the Sandinist government began an extensive process of property reforms, in an attempt to democratize property ownership and to bring thousands of rural and urban families into the national reconstruction process with equity and social justice.

A variety of methods was used to transfer a considerable amount of property to state dominion and jurisdiction. The principal legal and economic tools used to achieve this purpose were:

- 1. Decrees 3 and 38, which confiscated the assets of the Somoza family and of prominent Somozist officials and allies of the regime.
- 2. Nationalization of the banks affiliated with financial groups, through which numerous interests and shares in agricultural, industrial, commercial, and service enterprises, as well as real estate, were turned over to the state, in differing degrees.
- 3. Nationalization of the mines.
- 4. The Agrarian Reform laws, through which idle or underused lands and lands worked under sharecropping, tenant farming, or partnership arrangements were expropriated, with compensation to be paid to the affected landowners. These laws were primarily:

  — Decree 329 which subjected to expropriation and compensation all properties occupied by campesinos as of 29 February 1980.

  — Decree 782, the "Agrarian Reform Law" of 19 July 1981 and its reforms; and Law No. 14 of 11 January 1980, the second Agrarian Reform Law.

5. Purchases and sales, simple donations, or donations with assumption of debts, as well as exchanges.

6. Properties transferred by bank foreclosure because of unpaid mortgages.

New enterprises and projects were developed by the state beginning in 1979, independent of preexisting public state property.

Property Redistribution

Outside of this legal framework covering a general plan to transfer the highly concentrated and exclusive property system that had existed in Nicaragua, other property transfers also took place, related more to specific political and economic circumstances existing at that time. These were:

— Decree 760, which confiscated assets of persons out of the country with no intention of returning, and whose property had either been abandoned or from which capital had been withdrawn. This was known as the "Absent Persons Law."

— Decree 1074 and its reforms, which confiscated the property of persons who had been sentenced by the courts for engaging in actions contrary to public order and safety.

— Specific confiscatory resolutions issued by the National Reorganization Government Junta; only five or six cases were involved.

Through these laws, decrees, purchases and sales, bank foreclosures, and other means of acquisition, the government took control of about 6,000 agrarian properties covering an area of 3 million manzanas, about 350 industrial and commercial enterprises, and about 6,000 urban houses and lots; most houses were located in middle and low income neighborhoods.

Between 1979 and 1990 lands were allocated to about 80,000 families, with the exception of 700,000 manzanas that were held in 12 People's Ownership Sector [APP] corporations. Of these, 300,000 manzanas were located in war-torn zones. From January to April 1990—during the transition—292 new allocations were made, a total of about 50,000 manzanas. The Chamorro government then allocated to the resistance almost all of the 300,000 manzanas in the war zones. The rest of the APP were distributed among former owners whose properties were restored, 160,000; agricultural workers, 140,000; Sandinist People's Army [EPS], about 60,000; and the resistance, 30,000.

Under the Chamorro government, industrial and commercial properties have been subjected to a dual process of restoration and privatization. A few companies will always remain public enterprises, while others have been simply liquidated or dissolved.

The state's real estate assets were first transferred by issuing ownership titles for lots and houses in lower income neighborhoods starting in 1985. Then, between May [as published] and April 1990 by Laws 85 and 86, the government transferred the ownership of houses and lots to the families occupying them under different title arrangements.

"Unjustly Confiscated" Properties

The state's property acquisitions have a legitimate foundation. They were based upon the needs of the dispossessed masses and were designed to promote national reconstruction, the common good, and social stability. The government's decrees and announcements on property that have recently been made public lead us to make the following remarks:

- 1. There is no reason to return assets or pay compensation for "unjustly confiscated" property. In fact:

  — The application of Decrees 3 and 38 to the Somozas and their allies were widely supported by a broad national consensus, as these assets had been improperly held or usurped.

  — The properties transferred for agrarian reform purposes were acquired through expropriation with compensation and assumption of debts, and not through "confiscations."

— In addition, the government bought about 900 properties, and received lands from banks and private individuals. Within the Agrarian Reform process, there were in reality no confiscations.

— The industrial properties came to the state through the nationalization of the banks. Barring some exceptions, these banks had been undercapitalized and placed in bankruptcy by their owners. This was done through Laws 3 and 38.

- 2. Excluding properties affected by Decrees 3 and 38, almost all the property allocations were covered by indemnifications and compensations. In addition to indemnifications, the government took over pending and unpaid debts. The Ministry of Agricultural-Livestock Development/Agrarian Reform [MIDINRA] alone assumed 600 million cordobas of National Development Bank [BND] debts, and over 1.2 billion in debts from the Nicaraguan Bank.

Even the properties affected by Decrees 3 and 38 were almost all mortgaged to the banks. The state assumed about 1.2 billion cordobas in debts from the National Development Institute [INFONAC].

3. Many properties now being claimed were lost through bank foreclosures.

4. A group of companies were decapitalized before 1979, and for that reason, were occupied by the workers and were later taken over by the government. Considerable investments were later made in some of them. Now huge claims are being filed against the government on behalf of the people who in the past abandoned them and bled them dry.

The FSLN's Point of View

Because of all this, the government of Nicaragua must proceed with a general sense of justice and at the same time with caution. The property claims must not conflict with the vital interests of thousands of families who were allocated land and urban property. A summary of the FSLN's views on the pending property issues follows:

- 1. The properties affected by Decrees 3 and 38 are not subject to restoration; nor should compensation be paid.
- 2. The properties allocated in various ways for agrarian reform and which were transferred through institutional programs should not be restored. Instead, the Chamorro government should continue the indemnification process begun by the former government, and conclude it, as it has resources and possibilities not available during the previous decade.

Under the previous government, no property was expropriated because its owner was a foreigner or a U.S. citizen. The Agrarian Reform went after idle or abandoned lands, and not after persons. The property of foreign citizens which was occasionally affected, if this property is not of social interest, may be restored or compensation may be paid if the property has been assigned to third parties.

3. Properties and enterprises affected by the Absent Persons Law or by public maintenance and safety, and which are now held by the state, are subject to restoration, as long as the claimant recognizes the investments the state has made in them.

4. The enterprises and other properties affected by bank, mine, and other nationalization laws, should not be subject to restoration, as they are now being privatized. The former owners should in any case have preferential options to acquire these properties.

5. The legal differences in form in the entire process of property redistribution—titles, registration processes, etc.—should not be arguments used to annul or invalidate these transfers, which is the heart of the matter. The government should instead correct any such formal defects and secure the property to the families to whom they were allocated.

6. The review process should work to detect anomalies and fraud that occurred during the process of transferring urban and rural properties. Moreover, the landowner reconcentration actions which have happened in recent days should be reviewed.

7. In the indemnification process, care should be taken to avoid improper payments for the different forms of compensation which the former government established for those affected, which are:

— Agrarian Reform indemnification bonds and certificates.

— Direct cash payments to those affected, through the Ministry of Finance, MIDINRA, the Ministry of Industry, the Presidency, etc.

— Pending and unpaid balances in financial institutions which were taken over by the government.

— Properties foreclosed by banks.

— Purchases and sales by the state.

— Exchanges and restorations of other assets to the parties affected.

Observing these guidelines is essential if the restoration and indemnification process is to take place with maximum freedom from deceit.

Panama

Cocaine on U.S. Army Rented Barge Seized

PA0812170592 Panama City EL SIGLO in Spanish 8 Dec 92 p 53

[By Jose Gonzalez Batista]

[Text] On 6 December, Port Authority officials seized approximately 100 kg of cocaine valued at more than $3 million on the international market. The drug was in a container that was to be transported to Miami, the United States. The container was in a barge rented by the U.S. Army.

According to Port Security Director Blas Velasquez, the drug was in two big suitcases found inside a container with registration No. YC-SU291485-1. The drug was seized at approximately 0930 [1430 GMT] on 6 December in Port Coco Solo, Colon Province.

Velasquez reported that after the drug was seized, the authorities arrested two people presumably involved in this drug trafficking activity. He noted that three more people will be arrested this week.

Velasquez would not reveal the names of the arrested individuals but newsmen have established that they are Gustavo Emilio Valdez and Omar Enrique McFarlan, whose mission was to keep the container free of difficulties while it was being transported from the dock to the United States.

Velasquez explained that the drug was seized thanks to secret information secured by the Office of the Director of Port Security and by investigations that lasted weeks.

According to Velasquez, once enough information had been secured, Port Authority officials, exclusively, carried out the operation that resulted in the seizure of 100 kg of cocaine and the arrest of the two men now at the disposal of the Office of the Colon District Attorney's Office.

Velasquez reported that the drug-holding container was aboard the Gullfree 253 barge, which is towed by a tug boat. The barge has the capacity for 300 containers, which are used to transport U.S. Army merchandise, tanks, and military supplies and equipment.

Velasquez said the driver of the vehicle that transported the container to Coco Solo Port and three other people deeply involved in this drug trafficking operation will be arrested in the next few hours.

Velasquez noted that the empty 40-feet container had been taken out of the Panama Railroad installations in Panama City and transported to Colon. He said that so far he does not know if the driver made a stop on his way to Colon to pick up the drug or if the drug was placed in the container near the dock, something that could mean that Port Authority officials were involved in this activity.

Velasquez announced that the drug was delivered to the Colon District Attorney's Office which will be in charge of carrying out the investigations and arresting the people involved in this crime.

The official said that although his institution does not have the equipment it needs to carry out its port security work more efficiently, this seizure proves that his people are ready to work with "scrap" if necessary to eradicate drug trafficking in Panamanian ports.

The security chief affirmed foreign drug trafficking gangs do not rest to secure their objectives and for this reason the Port Authority officials will remain alert to "firmly stop" this crime against mankind.

Elsewhere, the Panamanian authorities last week arrested three directors of the Colon Free Zone enterprise Judi S.A. who have been accused of shipping 600 kg of cocaine to Belgium. The names of two of the arrested persons are Fulvia Cantoral and Julio Quintana.

Argentina

New Minister Targets 'Inefficient' Labor Laws

PY0812231892 Buenos Aires BUENOS AIRES HERALD in English 8 Dec 92 p 11

[Excerpt] (DYN-NA)—The country's new labour minister, Enrique Rodriguez, yesterday said his main goals include modernizing the nation's labour ralations system and successfully reforming the nation's pension system, while General Labour Confederation (CGT) leader Oscar Lescano announced yesterday that the organization would meet with Rodriguez within the next week.

"We must change a system of labour relations," Rodriguez said during radio interviews yesterday, "that is absolutely rigid, ancient and inefficient for a system that encourages investment."

Rodriguez, who until Friday [4 December] served as the Labour Ministry's No. 2 official, said he hoped to update the nation's labour system in three stages. His most immediate goal, he said, was to complete the overhaul of Argentina's pension system, followed by improving the set-up for collective negotiations. Third is "a programme of modernization that will become the definitive reform of labour relations."

The minister denied that pension reform was a "whim" of the government of President Carlos Menem and stressed the need to develop a system that "settles the issue of pensions and does not mortgage the future of Argentines who contribute to the system."

Rodriguez expressed concern both for those workers who lack professional training and whose jobs he termed "informal" and the underemployed, estimating that 25 percent of the work force is not fully employed.

Meanwhile, Rodriguez termed unemployment—which he estimated at 6.8 percent of individuals who are working legally—"not significant."

The minister also said the departure of his predecessor, Rodolfo Diaz, was due to the former Labour Ministry leader's need for a change, not the need for a new direction in the government's policies in that area and called him "the most brilliant politician our country has generated."

In the meantime, the CGT's Lescano confirmed that the umbrella organization grouping many of the nation's unions would meet with Rodriguez either later this week or early next week before the next meeting of the Employment Council.

While organized labour appears to be returning to both the talks with the government and the council meetings after ceasing to attend during Diaz's tenure, Lescano stressed that the CGT's demands—including the repeal of the decree linking wage hikes to productivity increases—remain unaltered. Elsewhere on the labour front: As expected the UOM [Metalworkers Union] yesterday re-elected present Secretary General Lorenzo Miguel to serve another four-year term. Union delegates gathered for their national congress at the Hotel Bauen and voted in the new national leadership, which includes a re-elected Luis Guerrero as assistant secretary. Miguel commented on the recently appointed Labour Minister Enrique Rodriguez, saying the UOM "plans to hold serious talks" with him but "we do not want another dog with the same collar." [passage omitted]

New Interior Minister Views Future Administration

PY0812180192 Buenos Aires CLARIN in Spanish 7 Dec 92 pp 2, 3

["Exclusive" interview with Interior Minister Gustavo Beliz by Julio Blanck in the Interior Ministry on 6 December]

[Text] [Blanck] How would you define your style for running the Interior Ministry?

[Beliz] I do not want intrigue, petty cliques, press operations against other officials, or dirty politics in this ministry. I am here with ideals and I will post the ideals on the office door. Having ideals in politics does not mean being naive or a good boy .... The others were naive, those who believed that politics can be made by becoming successful managers of dirty deals.

[Blanck] You promised that your administration would be "more transparent." Is that a direct allusion to the previous administration of Jose Luis Manzano?

[Beliz] When I said that in the news conference after I was installed, I was referring to my own administration. I believe the need for openness involves the entire community, it goes beyond the government to the overall political, business, union, and social leadership.

[Blanck] Can the speech against corruption become credible with a cabinet reshuffle after the government already allowed too many to become suspicious of corruption, deals, and favors?

[Beliz] I do not believe we have to make special efforts to change an image. The government has a basic policy for a structural struggle against corruption. The deregulation, stability, and giving privilege to production over financial speculation are important points in the struggle against corruption. Let us not forget that until very recently in this country the Central Bank director could pick up the phone and predict what the dollar rate would be four hours later.

[Blanck] Some past distortions no longer exist but corruption is far from eradicated ....

[Beliz] But the structural struggle against corruption requires personal examples. This is why I believe the example we can give with our lifestyle, with our conduct is important .... In the struggle against corruption we

have to turn the page. We have to go from declamation to action, from predication in the abstract to a concrete and daily commitment.

[Blanck] The doubt that goes around your administration is whether you will be able to take control over security, the operation of the Federal Police, issues that directly concern the community ....

[Beliz] I am 30 years old with 10 years of political experience.

[Blanck] Ten years of activism or 10 years of holding a political position?

[Beliz] I have 10 years of activism, three of which were in political positions. I went through several storms that left several survivors. I remained untouched by pressure and temptations while others, very experienced politicians who believed they knew everything, ran their heads into a wall. I have experience and I am not a naive politician.

[Blanck] Is that enough to run such a wide, powerful, and complex force as the Federal Police?

[Beliz] I confirmed the Federal Police top commanders in their positions. I have full confidence in them. I believe the police should be respected as an institution. The police should be handled professionally, and on my part I will stay way from political exhibitionism.

[Blanck] In other words, if another kidnapping like the Mauricio Macri case occurs, you would not have your picture taken with the Madri family the day he was liberated like former Minister Manzano did ....

[Beliz] Beyond specific cases I believe the institutionality and professionalism of the police must be respected. I absolutely have no reservation or fear in this regard about my administration.

[Blanck] The political dialogue has been paralyzed for some time. Is there any interest in refloating it? If that is the case, with what objective? It always seemed that the dialogue was for the administration in the government to obtain something: The Radicals were interested in Alfonsin's reelection and the Justicialists in Menem's reelection.

[Beliz] The priority is to establish a constructive dissension. I do not believe in any way that the Radical Civic Union should or could become a force consenting to our government administration. It is logical to have dissension, and the opposition has to fulfill the role of pointing out mistakes and problems that it is difficult to admit from the government. I also believe that the dissension should not be destructive. Both the government and the Radical Civic Union should be able to interpret the current maturity of society.

[Blanck] By listening to you it seems that you will have more problems with Peronism than with the Radicals ....

[Beliz] No .... why? Peronism is a large-movement force that the government cannot waste in this stage of transformation. However, one thing is for sure: I will not be the manager of the Justicialist Party in the government, although I have not resigned my doctrinaire conviction or my Peronist feelings.

[Blanck] What relationship do you expect to have with the Justicialist Party?

[Beliz] The Justicialist Pary must recover its charisma and the sense of transformation. We must update our program, which should also be a code of action. Peronism still has pending a debate for updating its doctrine and for discussions among thousands of its intermediate cadre members. It also has leaders who know what society wants from them.

[Blanck] For example?

[Beliz] Governors Palito Ortega in Tucuman, Eduardo Duhalde in Buenos Aires, Carlos Reuteman in Santa Fe, Ramon Puerta in Misiones, Ruben Marin in La Pampa, and Rodolfo Gabrielli in Mendoza. All of them represent a generation of leaders who are not simply good images but men who are proving every day in their administration that they can govern within certain limitations with imagination and intelligence.

[Blanck] What will you do from the ministry for Menem's reelection?

[Beliz] To work with honesty and efficiency by bearing in mind that the constitutional reform and the projects that go beyond 1995 depend on our ability to govern in the next few years.

[Blanck] Will the economic and social model implemented by the government continue after 1995 without Menem or is Menem indispensable for the model?

[Beliz] Menem guarantees the continuity of the model of transformation because no one like him has the necessary conviction to carry out this project.

[Blanck] What is the greatest risk for your administration?

[Beliz] The same as in any government: allowing ourselves to become arrogant because of our achievements and to think that just because we preach the goodness of stability we will be able to satisfy society's demands. We have to be firm in defending stability, but after the reorganization stage achieved by the government with great difficulties we must push for a stage of growth, not only economic but also social, political, and moral.

Menem Replaces State-Owned TV Station President

PY0912124992 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0052 GMT 9 Dec 92

[Text] Buenos Aires, 8 Dec (NA)—President Carlos Menem has just confirmed that he has accepted the

resignation of Gerardo Sofovich, the president of ATC [Argentina Televisora Color, the government state-owned television station] and that he has appointed Enrique Alvarez, a close aide of Sofovich, to replace him.

Menem also announced the confirmation of Alberto Lestelle as secretary for the prevention of drug abuse.

Leaving the Cenard [National Center for High Performance in Sports - Centro Nacional de Alto Rendimiento Deportivo], Menem said that Hector Fernandez, who worked closely with him during his electoral campaign, will serve as member of the ATC board of directors.

Menem had said earlier that he would not speak to the press, but he confirmed Sofovich's resignation at 2250 and released a copy of the letter of resignation he had accepted a few hours earlier.

Menem's Cousin To Make 'Humanitarian' Trip to Iraq

PY0812235692 Madrid EFE in Spanish 2238 GMT 8 Dec 92

[Text] Buenos Aires, 8 Dec (EFE)—It was reported here today that Argentina will send humanitarian aid to Iraq and that Noemi Menem, a cousin of President Carlos Menem, will be the first Argentine woman to meet with Iraqi leader Saddam Husayn since the end of the Persian Gulf War in 1991.

Mundhir Muhsin, Iraqi charge d'affaires in Argentina, has told the private news agency DYN that Noemi Menem, the chairperson of the Argentine Committee for the Salvation of Iraqi Children (CASNI) [Comite Argentino de Salvacion a los Ninos de Irak], has been invited by Husayn and will travel to Baghdad in January.

Muhsin added that "Mrs. Menem will be welcomed with honors by Saddam and the Iraqi people because of the courage and solidarity required to take the position adopted by the committee she chairs."

President Menem granted Argentine support to the UN naval blockade against Iraq in 1990, which was a step taken prior to the multinational operation "Desert Storm" which, under U.S. leadership, expelled Iraqi troops from Kuwait.

Noemi Menem told DYN that "the trip is motivated by humanitarian and health objectives, considering that 170,000 Iraqi children are suffering the consequences of the war and the blockade imposed by the UN Security Council."

Although Noemi Menem's visit to Iraq will be unofficial and the Argentine Government's position on the subject is clear, the top Iraqi diplomatic official in Argentina stated that she "can help in reestablishing relations between Baghdad and Buenos Aires."

Muhsin stated that, before the war, Argentine-Iraqi diplomatic relations were "very good" and that bilateral trade exceeded $1 billion annually.

The diplomat—who represents his country in Argentina, Chile, and Uruguay—described as "very critical" the situation of the children in his country and stated that the deaths caused by starvation and disease are higher than the 30,000 monthly that occurred during the war.

President Menem's wife, Zulema Yoma (of Syrian origin, like the president himself), and her brother Alfredo Karim Yoma have time and again expressed the need to support Husayn's regime.

Zulema Yoma, who has been separated from her husband since May 1990, has repeatedly charged that the U.S.-led alliance committed "genocide" in Iraq and has harshly criticized her husband for the position he had taken before and during the war.

President Menem ordered the deployment of two warships to the Persian Gulf to join the multinational force patrolling the naval blockade on Iraq.

Alfredo Karim Yoma, secretary for special affairs at the Argentine Foreign Ministry from July 1989 to September 1990, made efforts to promote diplomatic relations between the two countries.

During the first half of 1990, before the Iraqi invasion of Kuwait, Karim arranged a "summit" between Menem and Husayn that was to take place during the first quarter of 1991, according to press reports published in Buenos Aires.

Other leaders of the Justicialist Party (that is, the ruling Peronist Party), which brought Menem to power in 1989, have continued to maintain relations with Iraq and have sent food and medicines to that country.

Cavallo Leaves for Japan To Seek Economic Assistance

PY0612225092 Buenos Aires TELAM in Spanish 1921 GMT 6 Dec 92

[Text] Buenos Aires, 6 Dec (TELAM)—Shortly after 1700 today, Economy Minister Domingo Cavallo left for Japan, where he will negotiate economic assistance from the Eximbank to meet the Argentine commitments stemming from the Brady Plan agreement, which was signed today in this capital.

Cavallo entered the VIP room at Ezeiza International Airport without making remarks to the press and immediately boarded a British jetliner that was to take him to Tokyo, together with Daniel Marx, one of the leading foreign debt negotiators.

Cavallo will seek to obtain additional resources that will allow Argentina to meet the economic commitments stemming from its joining the Brady Plan, in keeping with the documents signed today by President Carlos

Menem and Steering Committee Chairman William Rhodes, among other officials.

Vice Foreign Minister Announces Talks With British

PY0812180292 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1639 GMT 8 Dec 92

[Text] Buenos Aires, 8 Dec (NA)—Vice Foreign Minister Fernando Petrella said today that the Argentine Government's decisions on fishing "are making the British realize the need to talk."

Petrella, who made this comment to Radio Continental, said this situation was caused by the "deployment of fishing fleets that used to get fishing licenses in the Malvinas Islands and that now are getting them in Argentine territory."

The British Government is concerned about the almost $30 million lost by the Malvinas as a result of the sale of licenses by Argentina recently, as well as the recent agreement signed with the EEC for fishing exports.

This is why the British Foreign Ministry asked Argentine officials for a special meeting of the joint commission, which will be held with an open agenda on 10 and 11 December in Buenos Aires.

Petrella also made it clear that "complete security" has been provided to the Argentine fishing resources because the licenses granted allow fishing in quantities way below the ones established in Fishing Under Secretariat studies.

All for the Fatherland Denies 'Violent Activities'

PY0812130392 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2230 GMT 7 Dec 92

[Text] Buenos Aires, 7 Dec (NA)—The All for the Fatherland Movement (MTP) today categorically stated that "none" of its members, "particularly Comrade Enrique Gorriaran Merlo," are "involved" in the bombings that have taken place in the federal capital in the last few weeks.

The MTP, which President Carlos Menem blamed for the bombings, stated that the "main reason" for such charges is that "the economic plan is about to fall apart," which means that "in the medium term" the administration "will have to step up repression to keep growing public unrest under control."

The MTP issued a communique signed by Marta Fernandez and Roberto Felicetti explaining that this organization "has not engaged in any violent activities" "either before or after" the attempt to take over the Tablada Infantry Regiment's headquarters.

The MTP stressed that it "neither has nor had any strategy for armed combat," explaining that the MTP is struggling only to "free its prisoners, secure legal protection for persecuted members, and support the people who are defending their rights."

The MTP added: "A few months ago the president (Menem) accused us of staging antigovernment demonstrations. We do not deny the fact that we have peacefully participated in them but everyone knows the unfair treatment that is given to pensioners and workers in general. Such unfairness is constantly spreading throughout the population and makes it necessary for someone to promote demonstrations. These demonstrations are taking place and will continue to take place until justice is done."

The MTP criticized the administration for "falsely claiming that there is a subversive outbreak to justify the expansion, training, and outfitting of the repressive apparatus to have it ready to move against the people's legitimate demonstrations."

The MTP also expressed support for Liberation Party (PL) members, some of whom have been accused of involvement in recent bombings, and stressed the "repressive" nature of government "methods."

* Government-UCR Relations Analyzed

* Accord Needed

93SM0075 Buenos Aires LA PRENSA in Spanish 2 Nov 92 p 6

[Article: "Difficulties in Government-Opposition Dialogue: UCR Does Not Have the Power To Obstruct"]

[Text] "I think we are going to have to get together with the UCR [Radical Civic Union] on the issues of interest to us. When I say this, I am thinking of constitutional reform. There can be no modification of the text of the constitution without agreement with the Radicals and furthermore, even if such a thing were possible without any agreement, it would not be in the country's best interest."

This categorical response to a LA PRENSA question came from Deputy Jorge Matzkin, president of his bloc, who has close connections with Minister of Interior Jose Luis Manzano.

The lawmaker arrived at his conclusion after analyzing the current state of relations between the ruling party and the main opposition party. He admitted—and it is a fact—that those relations are troubled.

Nevertheless, Matzkin places most of the blame on the Radicals, maintaining that they are going through changes in leadership within the party and among its legislators. "In politics," he explained, "there is a rule of thumb: It is the individual who takes the hardest line vis-a-vis the government who gets along best with the party." That is why he thinks a distinction has to be made "in Radical remarks between those aimed at

society and those issued for internal purposes." He says that "not all the apparent discord in the opposition is credible."

"That is why," he says, "we are the ones who would benefit the most from seeing them resolve their internal problems."

He also believes that in substance, opposition from the UCR is not aimed at drafting alternate proposals on problems troubling society and the government.

"On central issues," he says, "they have not presented any economic or social proposal that we would call sensible."

"How troubling is the current state of the potential conflict?" the deputy wonders. He does not believe the discord between the two parties is of sufficient scope "to make us lose sleep. Rather, it is a matter of circumstances and timeliness."

"What is positive," he said, "is that it is part of the defense of the system. They did not say they would—and I do not believe they are thinking about or want to—go outside the rules of play of the institutional system."

No Power

He explained that if things do not reach that point, "we shall continue to meet our responsibility of governing, inasmuch as we have the legitimacy and mandate to do so." He added that the UCR "does not have the power to make the system ungovernable."

However, above and beyond these considerations, he said that, generally speaking, it is preferable to have a minimum agreement with the Radicals because in the final analysis, "they represent a substantial portion of the Argentine electorate."

* 'Menemism' Criticized

93SM0075B Buenos Aires LA PRENSA in Spanish 2 Nov 92 p 6

[Article: "Peronism Neither Knows How To Govern, Nor Does It Let Others Govern"]

[Text] In the opinion of Radical Deputy Leopoldo Moreau, who is aligned with former President Raul Alfonsin, the situation between the ruling party and the opposition "is one of great complexity" because under the democratic system, "the nature of things indicates that there should be a fluid relationship between the two." However, in his opinion, "the hegemonic temptation of the Menemist (as he calls it) government has practically fractured relations."

The lawmaker believes that Justicialism "has continually violated democratic rules of play" and maintains that the ruling party "opposes the opposition," meaning that "instead of defending its administration, it devotes itself to denigrating the opposition as if it wanted to exclude it from the role it should play in a republican system."

"All of this has created a very special and extremely conflict-ridden type of relationship which I do not believe we can overcome, particularly in an election year, which next year will be. In this case, the government will try to strengthen its hegemony however it can."

In an interview with LA PRENSA, the deputy also took up the matter of constitutional reform supported by the Justicialists. He rejects the argument wielded by certain officials to the effect that if there is no such reform, given the possibility of a Radical victory in 1995, that political party could not govern as a result of the Peronist control of the Senate and the relative majority it would have in the Chamber of Deputies.

Deputy Moreau says that "such reasoning only demonstrates that we are right when we say that when it is a matter of the power-system equation, Menemism places power above the system." Such a position, he claims, "implies a simple choice of 'us or chaos' and also amounts to advance recognition that not only do the Peronists not know how to govern, but that they will not let anyone else govern either."

For these reasons, he believes that any agreement on reform "is impossible" by virtue "of the scenario which Peronism has set up." He notes that "we are reformists, but we do not support just any reform." He also states that a parliamentary consensus is not viable because in such a framework, and that the Justicialists "continue to believe that congress convenes when there is a proposal of interest to the executive branch but does not consider the opposition's aims."

Reelection

With respect to the issue of reelection being promoted by the ruling party, he says that all emphasis is currently on that issue, which therefore, in his opinion, "rather than signifying any institutional evolution, becomes a kind of involution since under a strongly presidentialist system, to add reelection virtually means arriving at political Caesarism."

* UCR Anarchy

93SM0075C Buenos Aires LA PRENSA in Spanish 2 Nov 92 p 6

[Report by Javier Mourino, editor of ACTUALIZACION POLITICA: "Radical Anarchy Does Not Help System"]

[Text] Given the political stability which Argentina has recently enjoyed, those who challenge capitalist modernization usually generate a distorted image of reality: that of an "authoritarian government" which would have great difficulty admitting that it conceals its hegemonic aims within the uncomfortable "disguise" of democratic institutions.

As a result of the flow of insubstantial political debate, that "cliche" has turned into one of the platitudes that some analysts and professional politicians accept as a premise when it comes time to complain about the times in which we live.

Nevertheless, the real facts are these: The main opposition party is wallowing in such political and ideological anarchy that—surely with no bad intentions—it ends up conspiring against the solidification of the responsible and coherent bipartisan system that any democracy needs in order to become a viable, reasonable system of government.

That same political and ideological anarchy is leading the Radical Civic Union to express all manner of doubts, reaching the extreme of effectively preventing that party from becoming one of the necessary poles that our democracy requires.

Thus it is that the UCR still entertains doubts about issues which the vast majority of Argentines have already resolved for themselves. For example, it wonders if its political role is to fight for improvement (ethical, whether in political management or execution) in the model of capitalist modernization which some are endeavoring to consolidate, or whether, on the contrary, the management of our government should be condemned as a whole as the public expression of a conservative, exclusive, corrupt regime.

It is also uncertain about whether, without the benefit of a previous inventory, it should claim its experience in national government up until 1989, taking absolute credit for its management, or whether it should seek a new profile, depicting the party as sufficiently renewed to look to a new phase.

Nor do the Radicals know how far they should go in their ethical challenge to the legal security now existing in the country at a time when some of their leaders are publicly admitting that if they win the next elections, all the privatization laws will reappear in Congress, just was the case with the oil contracts in 1962.

Such gibberish can only be exposed if the opposition begins to clearly define what it wants and what it expects at all levels of government.

Only by starting from such a basic position—which in any case would be the result of a process of political decantation and selection that history has imposed on Yrigoyen's party as a test since 1988—will they be able to clearly define how capable we are of creating a stable and reliable system of political power that can lead Argentine modernization beyond the vicissitudes of the ballot box.

Here also, society is one step ahead of its leaders. It daily demands that we leave our worries behind and make a "commitment to the future, abandoning all sectarianism and pettiness and turning to the new daily construction that is now our essential task."

That is why the situation confronting the government is most uncomfortable.

When a government has no serious, established, recognized opposition within the system, it is bound to experience great difficulty fulfilling its own election mandate because the nature of its task begins to exceed the reasons for which it was elected.

Inversely, a clear assumption of national objectives—which are common ideals—may greatly simplify the task of consolidating democracy because this makes it very difficult to waste time on minor matters of individual political positioning. This is how one can distinguish reasons of state from partisan concerns, intrinsically a good practice. Consequently, there gradually develops a leadership class that is far more enamored of its mission of leading the nation to a safe port than it is of the task of demonstrating that the leaders' ideas did in fact turn out to be correct.

Clearly, without an opposition, there can be no democracy or any solid, credible, durable system. There are those still unable to understand that the construction of a fertile opposition is the result of the growth of all society rather than the product of some enlightened soul or any group of elected officials.

Constructive Opposition

93SM0075D Buenos Aires LA PRENSA in Spanish 2 Nov 92 p 6

[Report by Marcos Ordonez: "It Is Time for a Constructive Opposition"]

[Text] Politically speaking, the ruling party and the opposition constitute different attitudes toward the same issue: how to lead society to a better fate.

The role of the pros and cons should be clearly outlined in the field of ideologies.

At the present time, a near absolute national political majority agrees on the need to recreate the physical and social Argentine model. There is a similarity with the vision of our leaders in the 1880's and 1890's.

Those visionaries did not foresee or predict the influence of universal suffrage or, consequently, of the Yrigoyen changes.

Something similar happened to Peron in 1952 when, without any planning and having lost the leadership of Eva Peron, he incorporated half of a new pattern with the women's right to vote.

The model followed over the last century had the limitation of requiring the constant leadership and tutelage of an elite conscious of its duty. The '52 model incorporated a new political "class" that because of its features was subjective and contributed such "new" values as security of the home, demands for convenience, and a simplification of messages.

The year 1955 marked a return to the pre-1945 model, with the noteworthy exception of the establishment of free education, which enabled the country to abandon the state educational tutelage that had been instituted for an emerging nation being built from the raw material supplied by immigration.

Frondizi was indeed capable of imagining a new country. The lack of any real political support—he was elected by an outlawed Peronism—prevented him from making it a reality.

Alfonsin intuitively perceived the possibility of linking the past and its constitutional success of 1953 and hoped to be the "hinge" of history, but instead of accepting the limitations of such a transition, tried to build (and triple) a role which, since it did not fit him, resulted in his failure.

Now we have the Menem phenomenon. Except for a very small number of "acolytes," I do not think anyone would have suspected that Menem would be the inspiration and leader of the program that his government is implementing.

Not only has he "deideologized" his work, but he supports it with common sense and for the common good. This makes traditional opposition nearly impossible. It is one of the reasons why those who attack or oppose the president's proposals prefer to point out the "mistakes" of individuals, of members of the executive branch. So small is the political space that it is left to those who disagree with this program which, if it should continue, may comprise the "before and after" which Argentina has been so anxiously and misguidedly seeking for over 50 years.

That is why the opposition unfairly appears to be more of a pain than it is effective and why the ruling party seems to be a legion "dazzled" by a light whose origins it does not know.

With the recent proposal of "greater labor flexibility," the executive branch is proposing a new social structure, a new relationship between employers and workers, between unions and guilds and corporations: in short, a new Argentina. In other words, this is the age of the opposition, the time for constructive opposition, one that will enrich the initial proposal.

With it, members of the ruling party and the opposition will all revert to the orthodox roles which a political balance demands of all of them.

If this does not happen, a reform demanded by the majority of society will continue to make progress, but it will unfortunately be a reform deprived of the broad range of opinions that are the natural fruit of an enriching debate provided by irreplaceable actors on the nation's political scene.

* State of CGT-Government Relations Viewed

* Work Stoppage

93SM0076A Buenos Aires LA PRENSA in Spanish 11 Nov 92 p 1

[Article: "Serious Trade Union Charge"]

[Text] Yesterday, Oscar Lescano, general secretary of the CGT [General Confederation of Labor], accused the government of "irregularities" in the collection of contributions for social projects, controlled by the government since the beginning of this year.

Lescano warned that the labor confederation might appeal to the courts for a clarification of why collections have declined, and he questioned distribution, claiming that "they do not give us our fair share, but only what they feel like giving us."

For his part, President Carlos Menem said yesterday that "the only thing obtained by the trade unionists who staged the general strike on Monday [9 November] was to have to pay" workers who supported the strike and who "cannot collect" for not working.

In addition, the CGT announced that following yesterday's general strike, "there will be a ten-day grace period to allow the government to make its move and decide to come closer to the workers." He warned that "after that, if the government persists in its closed, 'monologue-like' attitude, we shall stage another 36-hour strike with a mobilization."

Labor leader Lescano once again castigated Minister Rodolfo Diaz, noting that "if the analysis of labor's future within this situation of social conflict should be made based on his relationship with the Ministry of Labor, then any return to a dialogue and concertation would be impossible."

Lescano said "it is insane to say we support this defeat" because "what we do approve of is the convertibility plan that checks inflation, not the one that supports a false market freedom that binds wages" or one that "leaves a government blind, deaf, and dumb when prices for meat, electricity, gas, rent, and basic products are sky high."

* CGT Charges

93SM0076B Buenos Aires LA PRENSA in Spanish 11 Nov 92 p 4

[Article: "Social Projects: Lescano Reports Irregularities"]

[Text] Oscar Lescano, general secretary of the CGT, yesterday opened up a new front in the battle against the government by claiming that "there are irregularities" in the collection of contributions for social projects controlled by the government since the beginning of this year.

Lescano warned that the labor confederation might appeal to the courts for a clarification on why collections have declined, and he challenged the distribution of funds, claiming "they do not give us our fair share, but only what they feel like giving."

In statements broadcast over the radio, the head of the CGT launched a new offensive against the government and the Ministry of Labor in particular on the heels of the first general strike staged against the Menem Administration.

Controversy

Reviving a controversy that began at the beginning of the year when the government decided to funnel collections through the Ministry of Labor, Lescano claimed that the current cost of the system "is seven times higher" than when it was run by social welfare, even though contributions have declined.

The labor leader emphasized that the Labor Ministry "is responsible for all collection of funds" and that "there are irregularities that will one day have to be clarified." By way of example, he cited the fact that a check written on Autolatina contributions for SMATA [Trade Union of Mechanics and Related Automotive Transportation Workers] "was lost."

* Government's Response

93SM0076C Buenos Aires LA PRENSA in Spanish 11 Nov 92 p 4

[Report by Juan Maria Coria: "Government Tries To Revive 'Dialogue'"]

[Text] The government is willing to resume the dialogue with the CGT through the Production and Labor Council. To that effect, Minister of Economy Domingo Cavallo will extend the proper invitations to business and labor organizations as if nothing had ever happened.

However, no plans apparently exist—at least this week—for a different sort of dialogue with the leadership that staged Monday's strike. Nor would any such intention appear to exist given the great resentment created by the strike and a prevailing mood that does not seem to favor any resumption of relations, based on what labor leaders are saying and after the show of strength which they view as a success and the government a failure.

Before the strike was ever officially announced, the government had learned of the date on which it would be staged. Explanations were given at a meeting held by a number of CGT officials with Eduardo Bauza, general secretary of the Presidency. They had no other solution than to go ahead with the national protest.

It remains to be seen how the government will proceed in the near future with the CGT and what it expects from the labor confederation.

14 Reasons

The ruling party needs the support of the 14 union lawmakers to support proposals for reforming the welfare system and the labor law.

Jose Luis Manzano understands this very clearly, but he is willing to maintain a calm atmosphere for decisive moments.

Before the strike, the principal proponents of Menemism had exchanged opinions. Some insisted on launching major attacks on the CGT aimed at destroying its leadership, while others preferred more moderate remarks amounting to mere scorn while awaiting results.

At one extreme were Minister Diaz and Enrique Rodriguez, while the moderates were represented by Bauza and Manzano. The latter convinced the former and even managed to halt the presidential momentum.

The government needs to pass laws governing labor during this period of special sanctions because it knows that during election years—which 1993 will be—it is very difficult for lawmakers to devote full time to their parliamentary duties when they are busy with nominations and candidacies.

Partisan Trade Unionism

Since "Justicialism" is a Pandora's box from which no one knows what will spring (the country has astounding proof of this fact), it will come as a surprise to no one that it is preferable to maintain the union leadership as it is rather than to open the doors to unknown parties who might complicate the entire process.

* Administration, UCR Party Infighting Viewed

93SM0054A Buenos Aires LA PRENSA in Spanish 25 Oct 92 p 9

[Report by Sergio Crivelli]

[Text] Last Monday [19 October], the chief of the Joint General Staff, Brigadier General Andres Antonietti, dined with a journalist who covers military issues for a daily newspaper with a large circulation. On Tuesday, that newspaper featured an article on the purchase by the Argentine government of several scores of North American combat planes of a model considered obsolete. The cost of the aircraft was about $70 million, and, it was reported, some $100 million more would be needed to recondition them. In view of the scandalous aspect the incident was taking on, Minister Erman Gonzalez, who was the individual mainly damaged by the leak, met with Carlos Menem. During their meeting, the president told him: "Look, Erman, Antonietti wanted to be a brigadier general, and I promoted him. I have done my part. Now it is you who will have to deal with him. If you think he needs to be retired, that is your decision to make." (See subhead "A Bad Sign" below).

Gonzalez sent for Antonietti, who explained where the responsibility for what happened lay. The minister did not penalize him because of the lack of proof, first of all, but also out of caution. Punishing him might have led to escalation, and it is known how these clashes begin, but not where they will end. On the other hand, although an adviser to Domingo Cavallo—Erman's archenemy—called one of the defense advisers to tell him that the minister of economy had absolutely nothing to do with Antonietti's venture, Erman was not really persuaded that the controversial brigadier general had acted alone. Thus he needed to move cautiously and to wait for another opportunity. After a period of relative calm, the tables had turned within the Palace, and with the usual harshness.

Power Factors

In addition to reactivating the eternal Peronist government disputes, the aircraft incident made it possible to derive certain conclusions. The first is that Brigadier General Jose Julia has a notable capacity for lobbybng the Defense Ministry, since while the other forces are experiencing budget cuts, his is being resupplied. It is not getting the F16s he wants, but reequipment is occurring. The second is that 10 years after the war in the Malvinas, Argentina continues to be one of the countries the Western powers do not want to supply with the latest military technology. Erman admitted publicly that the sale of more powerful aircraft would have caused misgivings in London, where, it has been reported, the question as to what new adventure (sic) the Air Force had embarked upon has been asked. In any case, the sale of the Skyhawks represented yet another step forward in the prohibition on armaments to which Argentina has been subjected for the past decade. Thirdly, it appears that the military authorities have ceased to be a power factor. They watched the match between Erman and Antonietti from the side of the court, and there are no indications that they could become players in games like this in the future.

The military authorities, however, are not the only power factor that has lost ground in Argentina recently. The trade unions have experienced something similar, especially since Carlos Menem became president. The week just ended provided yet another evidence of this process, with the approval by the government of a series of reforms of the labor legislation representing a clear reduction in the influence of the trade-union hierarchy. The measures adopted eliminate gains made by the wage earners, and were designed to reduce labor costs.

Although these changes were also defined after the internal clash between the ministers of labor and economy, the differences in this case—although widely publicized—are only a minor chapter in the whole story. If the reform goes forward, Cavallo will have snatched the ball from the businessmen's field, so that they can no longer blame Argentine costs for their limited willingness to invest. The industrialists will continue to exert pressure for the reestablishment of customs barriers, while agriculture will push for devaluation (although no one is eager to admit it). However, it will be difficult to tell the minister that the government has not encouraged a profound change in the rules of the game in order to promote the productive process.

Nervous Tension

The tension provoked in Cavallo by the battle against inflation and the lobbying of interest groups—retired persons, trade unionists, radicals, etc.—seems to have caused him to change his mind. To the point that he regularly interrupts radio and television programs on which a certain leader is criticizing his plan to pursue the art of insult in dogged fashion. He seems to be getting a boost in this effort from his closest family members. They watch the media carefully, and they are telling him not to waste any opportunity to reply to his challengers. This practice, obviously, leads to scenes that leave observers with serious doubts about the mental balance of the man who is guiding the national economy with an iron hand.

Observers who interpret reality on a less subjective basis and do not believe in states of mind maintain, for their part, that Cavallo's verbal attacks are consistent with a political plan. They believe that in this way, the minister is trying to demonstrate that he is something more than a technician. This would be the reason for his bellicose appearances, while the rest of those in Menem's administration look on as spectators.

The minister's favorite focus for his anger, coincidentally, is the most dangerous adversary the Menem government has today—Fernando de la Rua. The senator elected by the capital, who enjoys the very finest image, according to all the surveys, is beginning to be the number one enemy of the two opposing factions, since he not only attacks Cavallo, but is also hurling the sharpest of darts at his own party from within its ranks.

Internal Radical Struggle

When it comes to the battles among the radicals, it must, strictly speaking, be realized that De la Rua cast the first stone when he made the statement that the Alfonsin movement in the capital brought back the ill-famed coordinating commission issue. However, the Alfonsin supporters reacted to the statement with indignation. Albamonte could say this, one of the major operators of the former president explained, but not De la Rua. What needs to be done, once and for all, is to decide if what is wanted is the support of the establishment or that of the radicals.

As one might imagine, De la Rua will try to avoid the choice, and to keep both. This method, which to tell the truth has never yet failed, nonetheless presents some problems. To the point that Alfonsin and Eduardo Angeloz are studying the possibility of abandoning old disputes in order to unite against him. This would make him very vulnerable within the party context. In short, De la Rua is beginning to experience the inconveniences

inherent in the life of a possible presidential candidate three years prior to the election in question. Who said that no one in Argentina thinks of the long term?

A Bad Sign

The political star of Brigadier General Andres Antonietti, who found himself in the eye of the storm this week, seems to be fading. His clash with Minister Erman Gonzalez over the Skyhawk aircraft, which led to so much coverage in the press, is in reality just one more in a long series of clashes. Last year, for example, Brigadier General Tomas Rodriguez, one of his men, denounced the allegedly irregular purchase of replacement parts by the Air Force commander, Brigadier General Jose Julia, and he was forced to leave his post as second in command in the midst of a well-remembered scandal.

Antonietti also clashed with Erman and Julia this year in connection with his appointment as chief of the Joint General Staff. When the president made this appointment, the most reliable reports indicated that the defense minister had opposed it. In the end, however, the political protection of the chief of state prevailed.

Now, in the battle over the Skyhawks, fate has not smiled on Antonietti. Menem's decision favored Erman and Julia. As if this were not enough, another large black cloud appeared on the air commander's horizon. He played a decisive role in forcing the former first lady out of the estate in Olivos, and all of the latest palace reports indicate that the chief of state and Zulema Yoma are just a step away from reconciliation.

Furthermore, it is expected that the reconciliation will come about at the end of the year, at which time, coincidentally, it is believed that there will be a new chief of the Joint General Staff.

* Federico Storani Discusses UCR Leadership

93SM0053B Buenos Aires LA PRENSA in Spanish 26 Oct 92 p 5

[Interview with Federico Storani by Adriana Balaguer; date and place not given]

[Text] Because of his intellectual brilliance, he is regarded within the "establishment" as the Bordon of the UCR [Radical Civic Union]. For two years now, since he left the presidency of the Foreign Relations Commission of the Chamber of Deputies, he has held no political post. Federico (Freddy) Storani is perhaps one of the men in the radical movement with the greatest possibility of winning. If indeed his political career dates back a long time (in the 1970s, he was a member of Renewal and Change, along with Raul Alfonsin), he has in recent years, operating from the province of Buenos Aires, succeeded in establishing himself as a key man in the radical movement. LA PRENSA interviewed him, and the most important parts of that exchange follow.

[Balaguer] Who do you prefer as the head the UCR and its National Committee?

[Storani] For the present, there is only one candidate for the presidency of the party. That is Alfonsin, because De la Rua says that he does not want this internal post, but would like to run for the presidency in 1995 instead. For now, we prefer to avoid any cannibalism with De la Rua, because we can see that he enjoys a good position with the people. In addition, he pursued an impeccable election campaign in the Federal Capital. Without him, the 20 point difference would not have been achieved.

[Balaguer] But now the man in the street is criticizing the attitude of the UCR in the "interpellation" of Grosso. There is even talk of a pact between him and De la Rua.

[Storani] I do not believe in this at all. He continues today to be the radical leader most respected by the man in the streets. Although we do not engage in politics for the benefit of the polls, it is also very clear to me that I am not going to engage in cannibalism with a person who is where he is due to his real virtues, including openness and honesty. I want an alternative party proposal leading toward toward unity. I repeat that the radical movement cannot allow itself the luxury of cannibalizing any of its leaders.

[Balaguer] A story is circulating to the effect that Angeloz will end up in the Federal Capital.

[Storani] I do not know anything about that. He has said that he is not interested in being president of the party. All I want now, if Alfonsin decides to seek the presidency of the party, is that he advocate a consensual board of officers based on a common proposal, instead of coming in with just his group of hard-line Modeso [Movement for Social Democracy] members.

[Balaguer] What do you know about the party formula calling for Alfonsin as president and Angeloz as vice president?

[Storani] They are saying that is one possibility, but in any case it is not so preposterous. There is an aspect of reality to it—the rapprochement between Alfonsin and Angeloz. For my part, I also hope that there will be a closer relationship with De la Rua. If he is excluded, the story will continue as before.

[Balaguer] However, it is De la Rua who says that if Alfonsin wins, the issue of the Coordinating Council comes with him.

[Storani] If he really made those statements, and in those terms, I think they were unfortunate, because this would be a little like raising the specter of the past. For some time now, the Coordinating Council has not existed. I am proud of being a founder of that movement, and I do not, even for a moment, reject my part in it (see subhead "Alfonsin's Montoneros" [not reproduced]).

[Balaguer] Is a Menem-Alfonsin "summit meeting" being contemplated?

[Storani] This does not seem very likely to me, because we have heard from Alfonsin on a number of occasions. In this regard, I share with him the view that under the current circumstances, a constitutional reform cannot be effected. Not because we are opposed to reforms—that would be a contradiction for us—but because the current government is not only failing to adhere to the Constitution in effect, but has also vitiated the state of law by regimenting the Supreme Court and suppressing the public prosecutor, the Accounting Court, and the Political Trial Commission. There is nothing to indicate that what is wanted is an honest reform of the Constitution. If conditions do not change, and unless guarantees are provided, this issue cannot be resolved. The party is very clearly aware of this. The National Committee has issued a document on the matter, one approved by all of the sectors.

[Balaguer] What about Moreau or Baglini to head the bloc?

[Storani] I am not a national deputy responsible for deciding this. Those in the National Opinion Movement urge that the leadership be given to Baglini, but with an integrated bloc.

[Balaguer] Why did Matzkin say that he would prefer Moreau?

[Storani] This was a bit of knavery designed to besmirch the internal party picture a little more.

[Balaguer] Since the radical movement has historically favored consensus, why is it abandoning political dialogue?

[Storani] Because there is no respect for even the minimum values, such as the state of law, pluralistic democracy, the issue of the courts. We are still very much pained by the fraud committed in Avellaneda and Santiago del Estero, by the intervention in the province of Corrientes, and by the invalidation of the election of the senator for Jujuy. Given such a situation, dialogue makes no sense.

[Balaguer] The man in the street may view this attitude on the part of the UCR as a speculative strategy.

[Storani] I do not think so. This trend toward the authoritarian concentration of Menem's power is forcing us to make some gesture, so that even if our reaction does not matter to the president, who says that he is not "interested in dialogue," or to Duhalde, who since he is authoritarian and the image of the famous fascist dwarf, says that "no dialogue ever existed," it remains clear to the people that we want consensus on a constitution. If, indeed, Peronism no longer exists, because an ideological crossover has been effected, and they want now to rebaptize the movement "Menemism," authoritarianism continues to prevail.

[Balaguer] To what does Storani aspire?

[Storani] I must be one of the few leaders who does not see politics as a hierarchical scale. Otherwise, it would make no sense that since I have been without any position for two years, I have remained here, calmly engaging in politics out of conviction. My friends will probably decide that I should be a National Committee delegate. I do not know. I have stated publicly that I do not endorse any formula, contrary to the speculation, nor am I planning any candidacy for 1995.

[Balaguer] What do you think the government would be like without Cavallo?

[Storani] The government is Cavallo. When he became a minister, I said that he was a de facto prime minister, and he is that. Cavallo is the man who engineered Menem's political victory.

[Balaguer] What is your view concerning the possibility of an electoral reform?

[Storani] This must be contemplated, but in an atmosphere free of suspicion. Not like the atmosphere at present, when Adelina has suddenly brought it up, and with an election approaching, and when—in addition—there is a proposed constitutional reform pending. Nowadays, no consensus can be achieved, because one can smell a trap.

[Balaguer] Who will succeed Grosso?

[Storani] The ideal thing would be to have someone elected by a direct vote of the residents, who, like me, can see, despite Pavarotti's recitals, how much the city of Buenos Aires has deteriorated.

* Senate Awaits Bordon, Cafiero's Arrival

93SM0053A Buenos Aires LA PRENSA in Spanish 25 Oct 92 p 6

[Report by Fernando Romeo]

[Text] As of 10 December, the Senate will attempt a substantial alteration of its composition. The various opposing forces are awaiting the designations still to be decided in Chaco and Tucuman, since if the Justicialists should succeed in electing senators in these provinces, they would have a two-thirds majority in the legislative body. In other words, they would have won iron control over the decision-making process. This circumstance is worrisome to the opposition, the UCR [Radical Civic Union] in particular.

In addition, the government bloc is awaiting the arrival of Antonio Cafiero and Jose Octavio Bordon, two individuals of unchallenged national importance. Both will alter the real political composition of the government bench to a certain extent.

Will these two leaders seek influential positions in the leadership of the bench, which is currently headed by Alberto Rodriguez Saa? Individuals close to Cafiero say that this is not his intention, but that he would, on the

contrary, like to become a necessary point of reference in the important district of Buenos Aires.

To this end, his colleagues say, our ambassador in Chile, who routinely comes to Buenos Aires every Friday, has initiated talks with Buenos Aires Governor Eduardo Duhalde with a view to rebuilding his political influence in the province. They explain that in the event that Duhalde runs as a candidate for the presidency in 1995 (if the constitutional reform fails to prosper), Cafiero would attempt to ensure that a man who enjoys his confidence, or one at least close to him, runs for the gubernatorial post. Along this line of thinking, they admit that Duhalde is the man with all of the power in the Buenos Aires sector of the Justicialist movement, despite the rapprochement between Carlos Menem and Juan Carlos Rousselot.

Bordon's Hopes

Those close to the former governor of Mendoza do not believe his aspiration is to head the bench, for example. Their understanding is that he will dedicate his efforts in his new circumstances to projecting his image by taking advantage of his status as a national senator. This would be because of his presidential hopes. With regard to the attitude he will adopt, they indicate that he will have to differentiate his position from that represented by the government policy, but must also recognize his role in the scheme being sponsored by the government. They insist that he will have to demonstrate that he has his own particular views. In this connection, they recall that at the beginning of the Menem administration, he rejected the public works and services portfolio because of differences of opinion with the president.

Legislators' Views

We questioned some of the members of the Justicialist bench about their opinions. Overall, there was a general assumption that both Cafiero and Bordon, because of their expectations, will prefer to keep their distance from the decisions of the officers so as to maintain greater independence of judgment. However, these legislators also think that the "new boys" will have to win their own space gradually. "We will be very respectful of each of these individuals, but between that and an attempt on their part to become the stars of the show—that is not going to happen," a qualified source in the Justicialist bloc assured LA PRENSA in response to a question. He also noted, as if in passing, that the majority of the presidencies of the most important commissions are already filled.

In this connection, Alberto Rodriguez Saa, the president of the bloc, a skillful parliamentarian who has caused the radical bench more than one headache, even when the Peronists were in the opposition, said that he will be ready, on 10 December, to analyze the new political reality developing within the bloc. He explained that he was stating his readiness to act in this way in all modesty, and he pointed out that the only post which is untouchable is that of Eduardo Menem, the provisional president of the body, for reasons that are more than obvious.

Above and beyond the courtesy displayed by all of the spokesmen questioned, there is every indication that none of them is prepared to resign from any position already acquired—or at least not without a hot debate. In any case, they agree that Cafiero and Bordon are not desirous of playing leadership roles. The reasoning is as follows. If their pretension is to reach a higher level, they should not seek positions which depend closely and inevitably on the executive branch.

However, all of these views are speculative. We will have to wait and see what the protagonists decide. However, none of those consulted failed to note, with a certain evil glee, that when Cafiero was elected to the Chamber of Deputies in 1985, he sought to become president of the bloc. But that did not happen. The appointment went to Jose Luis Manzano.

* Cabinet Approves Labor Reform Bill

93SM0056C Buenos Aires LA PRENSA in Spanish 23 Oct 92 p 4

[Text] The government approved a single draft proposal yesterday designed to make employment norms more flexible, not only in the small and medium-sized enterprises (Pymes), but in all those enterprises in which "this is necessary, but without affecting the workers now active." This announcement was made simultaneously by Economy Minister Domingo Cavallo and Labor Minister Rodolfo Diaz at the conclusion of the cabinet meeting held in Olivos.

The next discussion on this initiative will take place during the meeting of the National Economic Council scheduled for Thursday, 29 October. This is a forum over which Minister Cavallo presides, and the purpose of this meeting will be to bring the divergent positions on the measure to provide flexibility held by the CGT [General Confederation of Labor] and the business leaders closer together.

At the presidential residence, the ministers were informed of the text drafted jointly by the Economy and Labor Ministries. However, business sources believe that except for some instrumental changes, the views of Cavallo and the vast majority of the business leadership prevailed.

The reform calls for a change in labor relations in the Pymes designed to encourage the hiring of personnel on the basis of longer probation periods, reduced indemnification payments, a longer working day, and even reductions in wages, with trade-union agreement, in the event of a crisis.

The spokesman for the "establishment" commented that Minister Diaz should agree to the proposals of the Finance Ministry, although the Labor Ministry managed

to obtain a measure providing that if there is a crisis, negotiations will be collective rather than individual.

This was announced by Labor Secretary Enrique Rodriguez during a statement he made on Radio Mitre to the effect that this concept "is included in modern labor legislation."

According to the government announcement, the cabinet had approved the draft project. It stated that there was no disagreement except for "the natural differences" between the two bodies sponsoring the government proposal.

The cabinet met for three hours at the Olivos residence, with President Carlos Menem present. At the conclusion of the meeting, Ministers Diaz and Cavallo, who were retiring to the main guesthouse, talked with journalists about the scope of the measures designed to provide flexibility.

In talking with newsmen, Diaz and Cavallo both emphasized that there was no conflict within the government about the authorship of the draft proposal on labor flexibility. They maintained it was drafted in "consensual" fashion.

Chile

Jamaican Prime Minister Visits, Meets Aylwin

PY0412145192 Santiago Radio Chilena Network in Spanish 1000 GMT 4 Dec 92

[Text] At his office in La Moneda Palace, President Patricio Aylwin met with Jamaican Prime Minister James Patterson for approximately one hour. Patterson is paying a three-day visit to our country. During his stay, he will sign technical cooperation agreements. Through one of the agreements, Chilean technicians will have access to a supercomputer that can identify and analyze seismic zones. Patterson is accompanied by a group of entrepreneurs who want to investigate possible commercial exchange mechanisms.

Ceremony Welcomes New Army Brigade Commander

PY0812131492 Santiago EL MERCURIO in Spanish 30 Nov 92 p C7

[Article by Sergio Montivero Bruna from Iquique]

[Excerpt] Colonel Jorge Romero Campos has taken over as commander of the 13th Brigade, which is under the jurisdiction of the 1st Corps. The ceremony was held at the parade ground of the Carampangue 5th Infantry Regiment, which is stationed in Baquedano Military Fort.

At the beginning of the ceremony, the outgoing 13th Brigade commander, Brigade General Jorge Zara Holguer, received farewell honors from personnel of the General Headquarters, the Carampangue 5th Infantry Regiment, the Tarapaca 6th Telecommunications Regiment, and the Iquique 6th Commando Regiment. [passage omitted]

Political Prisoner's Sentence Commuted to Exile

PY0812135692 Santiago EL MERCURIO in Spanish 18 Nov 92 pp A1, A12

[Excerpt] Hugo Marchant Moya, a Movement of the Revolutionary Left member sentenced to prison, left for Finland on 17 November after the Justice Ministry commuted his prison sentence to exile in Finland.

Marchant spent eight years in prison after being found guilty of participating in the murder of Santiago Mayor General Carol Urzua on 30 August 1983.

The Santiago mayor was shot to death as he was driving out of his home in Las Condes neighborhood. His bodyguards, Jose Domingo Aguayo Franco and Carlos Riverso Bequiarelli, also died on the same occasion.

On 17 November, after the administration commuted his prison sentence, Interpol agents escorted Marchant from the Santiago Prison to Arturo Merino Benitez Airport, where Finnish diplomats helped him board the plane. [passage omitted]

Colombia

Possibility of Escobar Surrender Resurfaces

PA0812192292 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1700 GMT 8 Dec 92

[Text] The possibility of Pablo Escobar's surrender resurfaced again on 8 December. It is known that the narcotics trafficker is going to submit his terms to the government. Both the president and the justice minister have said that the only acceptable thing would be his unconditional surrender.

Pablo Escobar will submit a letter to the government, through a former congressmen, stating the terms of his possible surrender. The Medellin Cartel chief demands that he be imprisoned at Itagui, that his lieutenants, including his brother Roberto, remain at his side in the same prison, and that a modification be made to the outer structure of the maximum security prison of Itagui, for reasons he describes as humanitarian.

Escobar's conditions have emerged just as police have stepped up the search for him in Envigado municipality. It is known only that the bearer of his letter was a representative of the House of Deputies, hails from the Atlantic Coast, and was arrested in the United States for matters related to drug trafficking or money laundering.

Agriculture Agreements Reached With Venezuala

PA0412153592 Santa Fe de Bogota EL TIEMPO in Spanish 3 Dec 93 p 9B

[Text] Venezuelan and Colombian agriculture negotiators reached several agreements on reconciling regional policies and customs and on harmonizing and extending price limits for products that are affected by international competition.

Tomas Jose Salazar and Jose Macias, Venezuelan and Colombian representatives, respectively, agreed to establish a cattle stock exchange in Caracas that can carry out simultaneous operations with the Colombian Agriculture Exchange.

The Venezuelan delegation distributed a decree that classifies and catalogs cattle on the hoof [ganado en pie] and butchered meat [carne bovina en canal] and which modifies Venezuelan standards on the issue. For their part, Venezuelan authorities agreed to the use of palm olein [oleina de palma] in the preparation of cooking oil.

With respect to reconciling price limits, it was agreed that Venezuela would include barley in its list of price-sensitive products, while Colombia would include poultry products and cooking oils on its list.

The base prices will become effective every six months on 1 May and 1 November and should be announced three months prior to the date they go into effect.

In order to harmonize the price limits for certain products sensitive to international competition, the Venezuelan Government decided to accept a change in the ranges and reference markets for wheat and rice, while the Colombia Government did the same with sugar.

Venezuelan and Colombian negotiators will meet again in Caracas on 18 and 19 January 1993.

Gaviria, Argentine President Favor Drug Summit

PA0812224592 Santa Fe de Bogota EL TIEMPO in Spanish 4 Dec 92 p 6-A

[Text] Colombian President Cesar Gaviria and Argentine President Carlos Menem voiced their support for a proposed world summit on drug trafficking. On 3 December, they also agreed to increase multilateral cooperation in the fight against drug trafficking.

Menem and Gaviria met at the Government Palace where they signed a joint declaration pledging to "defend permanently the democratic system and human and fundamental rights of man."

Gaviria held a meeting with his Argentine counterpart on the last day of his stay in Buenos Aires, where he participated in the Sixth Rio Group Summit that ended on 2 December.

The declaration includes an agreement between the two governments on "the need to strengthen multilateral efforts to increase cooperation among states" in the fight against drug trafficking.

They also signed agreements on educational cooperation.

Government Minister To Resign 'Next Week'

PA0612042592 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 0030 GMT 6 Dec 92

[Text] Government Minister Humberto de la Calle Lombana confirmed on 5 December that he will resign next week. He also ruled out the possibility of his vice presidential candidacy. Jesus Garzon has this report.

[Begin recording] [Garzon] Minister de la Calle Lombana is determined to begin the new year with a new life. He has decided to leave the Government Ministry. He believes his mission as government minister has concluded and this is why he is already planning to turn over his post to a new minister.

[De la Calle] I will have to conclude some transition aspects for the new minister. I do not yet have a date but I have made the decision to resign soon.

[Garzon] He denied he will be appointed ambassador to the United States. He said he will stay in the country to get involved in the political campaign. The minister said he wants to be a presidential candidate.

[De la Calle] I have never liked the idea of the vice presidency. I was against such a position and, instead, supported the maintenance of the office of a presidential designate.

[Garzon] The date of his resignation from the ministry will be agreed upon with President Gaviria next week. [end recording]

Minister on Rewards For Capture of Drug Traffickers

PA0912034592 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 0030 GMT 9 Dec 92

[Report by Jesus Garzon]

[Text] The payment of millions in reward the Colombian Government has offered for the capture of guerrillas and drug traffickers will extend to all of Latin America. This mechanism is aimed at avoiding criminals escaping justice by entering another country.

Colombian justice will extend its tentacles to all Latin American countries. Regardless of the costs, the government is seeking to capture guerrilla leaders and drug-trafficking kingpins.

[Begin recording] [Unidentified reporter] Will the rewards for the capture of Colombian guerrilla leaders be extended to all of Latin America?

[Justice Minister Andres Gonzalez] Of course. I want to state the rewards will be offered to everyone—Colombians or foreigners. The reason for this reward is to provide truthful and effective information leading to the arrest of any person wanted by Colombian justice. [end recording]

These measures will be discussed and an agreement will be reached during the meeting of the justice ministers of Latin America, which will take place on 10 and 11 December in Cartagena. A proposal to create a common judicial area will be made. To that effect, expeditious mechanisms to exchange evidence will be created and cooperation among different international financial centers will be established to avoid money laundering. A center of drug-trafficking studies will be created and an agreement will be made to standardize penalties for offenses.

[Begin Gonzalez recording] We will end impunity throughout the area as part of a large effort to stop criminals from escaping justice by going from one country to another. [end recording]

In one word, the government's intention is to establish an international criminal jurisdiction to fight crime that goes beyond borders and generates terrorism.

Defense Minister Links Drug Traffickers to Attack

PA0412170692 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 0130 GMT 4 Dec 92

[Text] Defense Minister Rafael Pardo Rueda has pointed directly at drug traffickers as the perpetrators of the brutal attack in Medellin.

Men with ties to drug traffickers and La Catedral prison escapees were involved in last night's attack. The defense minister has said that according to reports from informants and security organizations, there is even some indication that the Medellin cartel is responsible for the attack.

[Begin Pardo recording] There is a strong suspicion that drug traffickers linked to those who escaped from La Catedral prison are responsible for this attack. Drug traffickers are interested in destabilizing Medellin society through indiscriminate terrorist attacks like this one. [end recording]

Others have said the attack could be part of Pablo Escobar's strategy to divert Army and police efforts to capture him. It has been reported that Escobar was very nearly captured in Envigado during a police and Army operation, based on reports from people who said they had been in the area. Intelligence reports say that three men known as El Arete, El Chopo, and El Comanche could be the new terrorist leaders of the Medellin cartel.

Army Activates Antiguerrilla Brigade in Casanare

PA0912043292 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 0030 GMT 9 Dec 92

[Report by Otto Gutierrez]

[Text] Another Army brigade that is specialized in antiguerrilla struggle was activated on 8 December in Yopal, Casanare. Another mobile brigade will be activated within one month in the Uraba region.

The 16th Army Brigade will have jurisdiction over Arauca and Casanare Departments. It will consist of three counterinsurgency battalions, military scout groups of Casanare, and [words indistinct]. In 1993, the 16th Army Brigade will receive the support of three more counterinsurgency battalions, which will give it greater ability to counter guerrilla actions against oil installations.

[Begin Defense Minister Rafael Pardo recording] You should act to maintain tranquillity in this region and preserve the working conditions of those who come here, especially companies involved in oil-related activities in this area. [end recording]

The new commander of the 16th Army Brigade stressed the actions of his men will also counter the collection of protection money and extortion, which are frequent in the region.

[Begin 16th Brigade Commander Colonel Alvaro Velandia recording] We hope to reduce these activities because they permit the rebels to finance their activities. [end recording]

The defense minister stressed that the Defense Ministry, with Colombian Petroleum Enterprise and Colombian Institute of Agrarian Reform, will define the area near oil installations the government will purchase to protect the energy resources of the country.

These men will have the mission to bring the presence of the state to Arauca and Casanare, an important and broad region of the country where the rebels have tried to impose their law.

Self-Defense Groups Resume Fight Against CNGSB

PA0412141292 Santa Fe de Bogota EL NUEVO SIGLO in Spanish 30 Nov 92 p 9A

[Text] Self-defense organizations grouped in the "Patriotic Movement for National Self-Defense, Mepan" have announced the reactivation of their group as a mechanism to stop the attacks by the Simon Bolivar National Guerrilla Coordinating Board [CNGSB].

This newspaper obtained a communique, in which Mepan said that it will tirelessly fight "the attacks and savage acts of the guerrillas, because we will not tolerate their continual abuse of our peasants, cattlemen, civic leaders, businessmen, and the very authorities."

According to the group, they fulfilled their promises by surrendering their weapons, thereby taking the government's word that it was going to protect them. However, they added, "in the dialogue we have seen good will on the part of the government but not the CNGSB, to the point of seeing how absurdly and with various excuses, the conflict with some bandits has been taken to the international scene, with dialogues held in Caracas, Mexico, the mediation of the International Red Cross, and the appeal made to different distinguished personalities, such as Venezuelan President Carlos Andres Perez and former U.S. President Jimmy Carter to mediate...."

In its communique, Mepan stated that the government in a naive manner allowed itself to take "the delegates of the CNGSB from their hideouts in the mountains of Colombia to five-star hotels."

"For 40 years, the CNGSB has known what it wants, although it has been unable to achieve it. It continues its bloody repression against the Colombian people by discrediting the system and unmasking a disoriented government, which started as a negotiating party but ended up as an extra in a large propaganda campaign of the insurgency," the communique asserted.

The self-defense groups insisted that the failure of the negotiations had always been predicted because, according to them, the government delegates and observers always anticipated it, as revealed by the resignations after each round of talks.

They expressed that only after the murder of 26 young policemen in Orito, Putumayo, on 7 November, did the government decide to issue emergency measures and create rewards for informers capturing or providing information on the bandits of the CNGSB.

In what the self-defense organizations called a commitment before the country, they announced that they will investigate the movements and persons who are connected with guerrilla groups, adding that they will present evidence to the government so that the corresponding agencies fulfill their duties.

With the slogans "For the peace of Colombia. Only God is our leader," the self-defense groups revealed their resurrection.

Article Notes AD/M-19, Conservative Party Roles

PA0412154792 Santa Fe de Bogota EL TIEMPO in Spanish 28 Nov 92 p 5A

[Article by Juan Diego Jaramillo]

[Text] The 19 April Movement Democratic Alliance [AD/M-19], which has already become the country's third traditional party, faces the greatest challenge of its political life, to oppose a government with which it sympathizes and identifies, but without going so far as becoming the subversives' political arm. It is an interesting balancing act, which tests the political capabilities of Antonio Navarro Wolff and his movement.

The AD/M-19's passage through Colombia's political life did not leave a wake of problems, but it did not leave anything constructive either; not one great speech, not one deep thought, not a single confrontation. Both in the Senate and the Congress, they have been innocuous. In the executive, they have been great influence peddlers, with the perspective to go on "managing" the Health Ministry from the "opposition," like a family fief. To end up embedded in the budget and influence peddling after such a career of violence and bloodshed is a unique paradox. This is why we have doubts about the AD/M-19's capability to represent an opposition that can elicit true hopes for change.

The AD/M-19's current power is not due to its political prowess or its virtue as a charismatic leader. It simply reflects a political vacuum, the vacuum left by the two other traditional parties when they fled from politics to influence peddling and abandoned the great national concerns.

In the case of the Conservative Party, this is precisely what we intend to correct with the December convention. This convention has three basic goals, two of which are already being reached. The first one is to depersonalize politics so we can have a unified party, not one subjected to the mutual disagreement between the old leaders.

From Dr. Misael Pastrana's noncommittal remarks, the country has inferred that the Conservative Party is no longer under his influence and that the old conservative leader is now an active member of the New Force instead of the party that led him to the presidency of the Republic. In a friendly way, this clarifies everyone's stand.

The second objective is to give the Conservative Party a genuine leadership. This is important, because without leaders it is impossible to do battle and there can be no victory without a fight.

I would rather have a small number of leaders with no personal ambitions, of the stature of Rodrigo Lloreda, Ignacio Valencia, Mariano Ospina, Douglas Botero, Raimundo Emiliani, all of whom could command great credibility; or the single leadership of Carlos Holguin Sardi, with whose impulse we could move as far ahead as the year 1998. However, we will accept the parliamentarian candidacy with enthusiasm, because in addition to being legitimate, it is made up of fighters for the conservative unity.

The convention's third objective is to remove the party from the government, so we can organize it from the opposition. I hope the influence of the "collaborationists" will not be strong enough to frustrate this desire, which is shared by all. Nearly all of the political controls

became lost in the institutional system and the credibility the Conservative Party requires can only come from a forthright stand.

If the Conservative Party continues to be embedded in the government, in the midst of the nation's crisis we would be paving the way for the AD/M-19, so through artificial populism, it can create a coalition of minorities to elect the next president.

I am afraid of this coalition. The nation's problems are too complex to let leadership go to pieces at the hands of an overwhelming populism, such as the one that destroyed Germany in the 1930's and the one that destroyed the Peruvian institutions.

If the three objectives mentioned are reached, the Conservative Party can be the nucleus for the new majorities, which could elect a government with the mandate for a moral change.

Navarro Wolff Comments on Terrorist Escalation

PA0412162892 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1200 GMT 4 Dec 92

[Telephone interview with Antonio Navarro Wolff, 19 April Movement Democratic Alliance leader, by Sammy Jali from the Caracol studios in Cali—live]

[Text] [Jali] Welcome to Cali.

[Wolff] Thank you, Sammy. Here I am visiting this beautiful city.

[Jali] What brings you to the capital of Valle del Cauca Department?

[Wolff] This afternoon I will attend a ceremony to mark some former guerrillas' completion of a special course at the Pedagogical University. This is a gesture of peace. I think the fact that they finished high school and will begin university studies shows peace is possible despite the prevailing pessimism.

[Jali] The reincorporation process is proceeding smoothly?

[Wolff] The program at the Pedagogical University is working best. Not everything is working that well, but the Pedagogical University program is working well in Santa Fe de Bogota, Ibague, Barranquilla, and Cali.

[Jali] How do you assess the country's situation in the face of the terrorist escalation affecting Colombian airports and the arrest of Francisco Galan, a leader of the Army of National Liberation [ELN]? What is your assessment of the situation?

[Wolff] We are facing a difficult and complex situation. The reappearance of car bombs in Medellin and the continuing sabotage and operations against civilians worry us. I think authority should be applied calmly. We are not fully pleased with the government because, in my opinion, it speaks more than it acts. I think feasible things should be done. Authority should be applied while respecting human rights. The government should not declare a total war that cannot be won and that complicates matters in the country.

[Jali] What is your opinion about Francisco Galan, who was captured by the 5th Brigade in Bucaramanga on 3 December?

[Wolff] I saw him on television in Tlaxcala and Caracas.

[Jali] Did you meet him personally when you were in Caracas to meet with certain members of the Simon Bolivar National Guerrilla Coordinating Board?

[Wolff] No, I only met with two members of the Revolutionary Armed Forces of Colombia, [Alfonso] Cano and [Ivan] Marquez. I did not see Galan or other ELN members. In my opinion, the sight of a guerrilla leader with a revolver and a grenade in a family apartment in Bucaramanga does not speak very highly of him.

[Jali] Some said he had taken cocaine; at least the authorities said that.

[Wolff] I do not know. We must wait and see. I saw him on television on the evening of 3 December and he seemed to be in good physical condition and was speaking coherently.

[Jali] He was captured that morning and the video was apparently taped after 1900 when the regional prosecutor arrived at the 5th Brigade.

[Wolff] It is good that the Prosecutor's Office is on top of this. It is good that authority is exercised without abuses and excesses, because those things are definitely wrong and do not help the government and country.

[Jali] Based on your knowledge of the ELN, should the country expect a violent offensive in the wake of this capture?

[Wolff] The impression I have is that the ELN has acted persistently for the past two or three months. I hope that will change considerably. I think Galan's capture could change the situation in Santander, because it is obvious that he had responsibilities in that area of the country.

Soldiers, 'Black December' Plan Members Arrested

PA0512040592 Madrid EFE in Spanish 2338 GMT 4 Dec 92

[Excerpts] Santa Fe de Bogota, 4 Dec (EFE)—Two Colombian soldiers were arrested with three civilians—apparently members of the Army of National Liberation [ELN]—for possession of 130 kg of dynamite to be used in terrorist attacks, the Attorney General's Office reported today.

The arrest of the soldiers and the guerrillas took place two days ago at a military checkpoint near Ubate, in the center of the country. However, it was not reported until today.

Attorney General's Office sources pointed out that the soldiers and the civilians were preparing to carry out attacks in the Colombian capital. The soldiers were captured while they were in a vehicle that contained the explosives and was to be used as a car bomb.

The soldiers, who belonged to the Army's 13th Brigade headquartered in Santa Fe de Bogota, were identified as Filadelfo Herrera Rodriguez and Morris Diaz Guio.

According to the Attorney General, the terrorist operation planned to be executed in the Colombian capital had been named "Black December" by the five arrested individuals. In addition to the 130 kg of dynamite found inside the confiscated vehicle were electric detonators, cable, and slow burning fuses.

The 13th Brigade military command has initiated an investigation to assess the terrorist infiltration in its ranks. [passage omitted]

Two of the three civilians arrested with the soldiers were identified as Elver Javier Castellanos and Edison Montoya Rodriguez.

Army Presents Captured ELN Leader Francisco Galan

PA0512040992 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 2300 GMT 4 Dec 92

[Text] Francisco Galan, the leader of the Army of National Liberation [ELN] who was captured on 3 December, was presented to the media for two minutes at the headquarters of the 5th Brigade in Bucaramanga. He was clean-shaven, somewhat worried, and wearing a black and white striped suit.

These are the first pictures of Mario Pieschacon Negrini, also known as Francisco Galan, after his arrest in Bucaramanga. This shaven member of the Central Command of the ELN was wearing a striped uniform similar to that worm by Abimael Guzman, the leader of the Peruvian Shining Path movement. Galan was assigned number 27.

[Begin 5th Brigade Commander Ricardo Cifuentes recording] We are awaiting an order from a special public judge, a faceless judge who will direct the hearings. [end recording]

According to the Attorney General's Office, Francisco Galan only has four charges filed against him: murder for terrorist reasons, terrorism, rebellion, and for being an accessory to criminal activity. It is said that he was a specialist in peasant protest marches. Although the list of crimes does not include kidnapping, he admitted to it publicly before. During the peace talks with the government in Caracas, Francisco Galan admitted to kidnapping Marta Forero, the daughter of Congressman Rafael Forero, for whom he received $1 million.

[Begin Galan recording] We admit having carried out some withholdings for economic reasons. I am not going to tell you yes, Marta Forero was in fact held by our forces. [end recording]

Francisco Galan is 51 years old. He joined the ELN 31 years ago, and began with urban operations. He later stood apart for his intelligence tactics. He ordered the increase of terrorist attacks, especially against the electricity system and oil pipelines. He participated in roadblocks and locating and murdering members of the public forces, and threatened multinational companies so as to charge the so-called war tax.

The Attorney General's Office, for the time being, is collecting additional information against Francisco Galan from its regional offices. Galan will be moved under tight security to a jail that is said to be close to an Army brigade headquarters, but far from the guerrilla regions.

'True Identity' Revealed

PA0512230292 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1200 GMT 5 Dec 92

[Excerpt] The true identity of Francisco Galan, Army of National Liberation [ELN] commander, captured in the Santander capital by a [words indistinct] group, is not Mario Pieschacon Negrini. The real Mario Pieschacon Negrini is an engineer from Santander, a resident of Barranquilla, who lost his documents. Pieschacon reported the loss to a notary public in Santa Fe de Bogota. It has been revealed that Gerardo Bermudez Sanchez reportedly is the real name of ELN leader Francisco Galan. [passage omitted]

Guerrilla Infiltration in Arauca Government Viewed

PA0712034992 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 0030 GMT 7 Dec 92

[Report by Rodrigo Beltran]

[Text] The guerrillas have created an anomalous situation in Arauca where they finance their activities with state funds. The rebels have managed to establish the mechanisms for a profitable business while taking advantage of the lack of protection for citizens in that area.

A state of internal commotion has existed in Arauca for several years. Surprisingly, there are no kidnappings, terrorist attacks, or intimidation in the streets. It is said that guerrillas run the government here at will and have become an elite force.

In the local government, the secretaries of finance and education were replaced a few days ago after it was confirmed that they collaborated with the guerrillas.

We found out that each contract signed here includes a provision for the Army of National Liberation, ELN. Here is an example: Out of a project with an estimated cost of 30 million, 5 million [currency not specified] are given to the guerrillas, and 25 percent of the manpower is assigned to them and the rest to peasants also sent by the guerrillas. The rebels determine the salaries paid to each peasant. Contractors know they will meet with the rebels' informer once he leaves the government building. He must comply with all the requirements established by them. The guerrillas have infiltrated the local government, from where they are kept informed of every contract. They have well-established channels and are now seeking economic power.

Here is an interview with Arauca Governor Alfredo Colmenares Chia.

[Begin recording] [Beltran] There have been many reports, but none have been confirmed. One of the things that has been said is that contractors must pay the guerrillas so they will let them carry out the projects. Is that true?

[Colmenares] The presence of the state must be strengthened in many areas where citizens are vulnerable and unprotected. I do not think we should condemn the actions. Instead we should try to counter the real cause. Obviously, a citizen who is unprotected will be vulnerable. The state has finally realized this, and we will increase our presence in many places where the state had not reached before. [end recording]

The people of Arauca believe oil is the main cause of the problem. The 1985 census established that Arauca had 19,000 inhabitants. Today that number is five times larger. People who arrive from other places bring hopes for success which turn into frustration. The oil industry requires technical personnel who are not available here. At present, Arauca is without power as a result of terrorist attacks on electricity towers, and due to the suspension of oil pumping, the Department has lost more than 8 billion pesos.

Oil has divided society in Arauca; it has created a lower class and has encouraged administrative corruption. The people of Arauca were not prepared for this fate. Meanwhile, the guerrillas continue receiving large profits.

* Arauca Governor on Insurgent Presence in Region

93SM0067A Santa Fe de Bogota EL TIEMPO in Spanish 6 Nov 92 p 11-A

[Interview with Alfredo Colmenares Chia, governor of Arauca, by Maria del Rosario Arrazola: "There Are Areas I Cannot Enter"; place and date not given]

[Text] Alfredo Colmenares Chia, governor of Arauca, acknowledges the seriousness of the situation of public order that confronts him. But he has plans for overcoming it. He believes that the problem is more economic than political.

It had been a difficult week. In the space of two days he had had to face ministers, military officers, and the media. And small wonder! During the transportation strike organized by the guerrillas two weeks ago in his Department, he was not there.

An article published by this newspaper last Sunday, reporting the impressive presence of guerrillas throughout most of Arauca, where they perform functions that are the province of the state, was another factor that contributed to Governor Alfredo Colmenares Chia's packing his suitcases and departing urgently for Bogota.

He is not denying the seriousness of the problem of public order with which his Department is having to contend. Neither does he fail to recognize the guerrillas' power. And he agrees that the national as well as the departmental governments have let themselves be taken advantage of by the armed rebels.

He has plans and strategies, because his purpose is to hand over a Department at peace, despite the fact that the cancer overwhelming Arauca is very far advanced: Guerrilla activity that, in addition to being feared, is enormously wealthy, has taken hold in his territory.

[Arrazola] In your Department there are three guerrilla fronts that control even the routes and means of communication, veto officials, and issue permits to hold celebrations. Where do you govern?

[Colmenares] My government is absolutely legitimate. And I have no intention of backing down, in spite of the guerrillas' hounding. It is true, the guerrillas are there. Everybody knows where they are. But as governor I have strategic plans, and it is not by removing me from office that things will be resolved. We are going to pull the rug from under the guerrillas through public works, but also through the institutional message. I am convinced that terror frightens, but it does no more than that. There is a government project that has already started. And I intend to make my presence felt throughout Arauca. But the truth is that there are areas that I cannot enter. I know I am in the guerrillas' gunsights. A year ago, an attempt was made on my life.

[Arrazola] Do you really believe that you may be able to defeat the armed revolution?

[Colmenares] I am convinced of it. I think the problem is as follows: As the guerrilla movement becomes richer, its political discourse becomes weaker, and it is clear that the solution lies more in the economic sphere than in the political one. The guerrillas are not interested in taking over the administration, and even if they were, they do not have the required capabilities. I believe that the first

thing to do is to attack the guerrillas' sources of funding at the national level. One of the approaches could be to make cocaine unprofitable.

[Arrazola] And what are you going to do about the so-called "war tax" that is being collected from the multinational companies and contractors. Furthermore, Arauca is the Department with the most administrative juntas, in the entire country, to have been used by the guerrillas?

[Colmenares] Yes, the juntas may indeed have contributed to this situation. But I do not believe that the war is their fault. I have already taken some steps with respect to the situation of the contractors. The departmental administration has appealed to the national government, more specifically to the Public Works Ministry, to provide machinery and manpower, with the Department providing the money, to carry out public works in the guerrilla zone. One way or another, the Ministry of Public Works could have more authority. The truth is that Arauca's contractors have had to endure an awful lot, and some of them now do not want to travel to zones of guerrilla activity. I must also say that guerrillas have been able to penetrate the various social organizations, among them the juntas, but I am not too worried because aid has run out.

[Arrazola] Have you had talks with the multinationals?

[Colmenares] On a few occasions. Their argument is that they do not get involved in domestic problems. I do not believe that the transnationals finance the guerrilla activity directly. It is rather the contractors who, faced with threats and blackmail, are obliged to give in, because they have no other option. They must defend their lives.

[Arrazola] At the political level there is considerable criticism alleging that the FARC [Revolutionary Armed Forces of Colombia] has two "allocations" in your cabinet. Is there any truth in this?

[Colmenares] It is false. I appointed two members of the UP [Patriotic Union] in the Secretariats of Education and Finance, but it was made clear to them from the outset that they would act in defense of my administration without obeying other interests. Furthermore, my agreement in this respect was with the liberal and antimilitarist wing, not with the terrorists. The UP in the Department of Arauca has two headwaters: One communist, the other liberal; and I get along with the latter group, with Octavio Sarmiento's group, to be more exact. They represent an important political expression in the Department.

[Arrazola] How are your relations with Arauquita's mayor? She belongs to the UP, as you know.

[Colmenares] There I really have problems. Our conflict continues and, even though we keep in touch, the truth of the matter is that I do not have political control in Arauquita.

* Government Forecasts Stronger Economic Growth

93SM0073A Santa Fe de Bogota EL TIEMPO in Spanish 8 Nov 92 p 1C

[Article by Luis Alberto Lopera and Hermogenes Ardilla D.: "Another Candle Lit for Optimism"; first paragraph is editorial introduction]

[Text] Although the factors which have disturbed the country throughout 1992 are still in effect, the government believes that economic growth will improve. Its third forecast for the year now speaks of a growth rate of 3 percent and of 5 percent in 1993. In the view of some observers, this is excessive optimism.

Never in recent history has there been so much uncertainty about the behavior of the Colombian economy. The appearance of two "plagues," such as the drought and electricity blackouts, and the worsening of the coffee crisis and guerrilla attacks led people to believe that 1992 would be a catastrophic year.

During the first few months of 1992, few people bet on growth in national production of more than 1 percent. That is why there was so much talk of a recession. The only observer to keep up its optimism was the government, which continued to predict a recovery in Gross Domestic Product [GDP], reflecting an increase of 2.4 percent.

Nevertheless, with the passage of time, the darker prospects grew brighter, and observers began to revise all of their projections for the private sector. Since the middle of 1992 predictions have improved, despite the fact that not very encouraging situations continued.

Now things look different. This week the government adjusted its growth projections for the third time and ventured to state that the economy could grow more than 3 percent. This is a rate which, although it is not something which "makes people dance in the streets" is encouraging in the midst of all of the difficulties which the country is going through. If this growth rate is reached, it will exceed by one percentage point the 2.2 percent growth recorded in 1991.

The official optimism and the new expectations which the private sector now presents do not lie only in greater growth, which is explained by the good behavior of several productive sectors. The relative control of inflation and the decline in the unemployment rate are two other indicators which show that the outlook is clearing up and that the economy can improve even further.

In the government's view the prospects are so good that it expects that GDP will grow by 5 percent in 1993 and that this growth rate will continue from now on. This is a rate which neither industrialists nor businessmen nor exporters believe in, because they consider it too optimistic.

Furthermore, despite the fact that reaching the goal of slowing down the growth in the cost of living by 22 percent has had to be postponed for the past two years, the government hopes that 1993 will be the year in which it will be able "to break the back" of inflation definitively.

The Four Plagues

The fear of opening up the economy, which has been the principal concern of the productive sector since 1991, has dissipated to such an extent that, with the exception of the agricultural sector, few people see any great risk in this economic model. Step by step almost everyone has adjusted to foreign competition.

And not even the four plagues, which, it was thought, would annihilate the Colombian economy, now have the importance which was once attributed to them. Electricity blackouts, the drought, guerrilla attacks, and the coffee crisis have had negative effects, but to a lesser extent than initially estimated.

The fear of an opening up of the economy made many people think that the country would be flooded with imported products and that domestic production would be stopped dead in its tracks. That did not happen. On the contrary, during the first few months of 1992 purchases of products abroad declined. Now the tendency has changed. According to the most recent, revised statistics issued by the National Administrative Department of Statistics (DANE), during the first six months of 1992 net imports grew by 14.2 percent.

Although figures on import intentions are only known through September 1992, the increase in imports has already reached 42 percent. If those intentions are carried out, something which does not always happen, it would be necessary to speak of purchases abroad during the first nine months of 1992 as amounting to $2.3 billion more than during the same period of 1991.

The government attributes this kind of behavior to the new dynamic which has appeared in the economy, for among the categories which have grown the most are imports of machinery and production equipment. This fact demonstrates that we are moving into a process of industrial reconversion and expanding existing 3m3 productive units, although we are still going slowly in that part of the productive sector.

Nevertheless, the growth in the export sector, another basic objective of the opening up of the economy, has not been as positive as expected. Although sales abroad have increased in volume, foreign exchange income has declined, fundamentally due to the world economic recession (with lower international prices) and the revaluation of the Colombian peso.

At the end of the first six months of 1992 exports had declined by 1 percent. And although there are no recent, revised figures available, during the last few months this tendency has continued because, according to exporters, the rules of the game continue to change and they cannot plan ahead as they would wish.

Electricity Blackouts and Guerrilla Activity

The pessimistic forecasts on the effects of the electricity blackouts were not realized to the extent anticipated. The first study on this subject, prepared by Fedesarrollo [Federation for Development], indicated that electricity rationing would cost the country 1.3 percent of GDP in 1992, that is, $640 million.

The most recent estimates prepared by the government are quite different. After it turned out that the industrial sector adapted itself to the situation and began to generate its own electricity, it is now anticipated that the impact of electricity rationing, at the most, will be 0.4 percent of GDP, or about $142 million.

According to the government, the factor which has most affected economic growth has been guerrilla activity. In the most recent projections of the National Planning Department, attacks by the subversives are calculated to have had a cost equivalent to 0.7 percent of GDP, or about 200 billion Colombian pesos.

No doubt that figure is high and a matter for concern. However, it should be kept in mind that it is less than the figure for 1991 when it was calculated in official documents that the losses from this cause amounted to more than 1.0 percent of GDP. The explanation for the difference may lie in the fact that during 1991 a larger number of attacks was directed against petroleum pipelines.

In a new indicator which had not been taken into account it is now estimated that because of the insecurity caused by guerrilla attacks 100,000 jobs have not been generated in the seven principal cities of the country. Of this total 50,000 jobs failed to be generated in Bogota, Medellin, Cali, and Barranquilla alone.

In conclusion electricity rationing and guerrilla attacks have reduced economic growth by about $430 million. That is, these two plagues have prevented the creation of wealth equivalent to 3$3 4.6 million jobs at the minimum wage rate.

Bitter Coffee

The coffee crisis, which was expected to be another great blow to the economy, has now touched bottom, and it is hoped that conditions will now begin to improve. Although great efforts have been made during 1992 from the fiscal point of view to prevent the bankruptcy of the National Coffee Fund, it is hoped that in the future the impact on the budget will be less, with or without a new world coffee agreement.

Although the 300,000 families growing coffee have already felt the impact of the free market (They have reduced the domestic coffee price twice in 1992.), their income has improved a little, due to an increase in the coffee harvest, which has reached a record level of 17.3

million sacks. Also helpful has been the fact that the National Coffee Fund has already spent $700 million from its reserves to ensure that the domestic price does not decline further and has continued to carry on some support programs in the coffee sector.

Nevertheless, in the view of the coffee authorities, the critical stage of the readjustment program has now passed, and everything which will occur from now on can be called a further benefit. The picture has cleared partially, since in the past two months the external price has risen from 50 to 72 cents a pound in U. S. dollar terms. According to foreign analysts, the price could stabilize at around 80 cents a pound.

Despite this prospect, the reduced income of coffee growers, amounting to about 15,000 pesos less per sack of 125 kg, has had an impact on the demand for goods and services in coffee growing areas, to the detriment of other economic sectors.

The Unexpected Drought

The drought, which had its greatest effect on agricultural production—in addition to being the principal cause of electricity rationing—has also contributed to the fact that the rate of economic growth has not been greater than it has been.

That circumstance, which no one expected, slowed the harvests and was the principal factor responsible for the sharp rise in food prices throughout the first six months of 1992. This was why almost all sectors predicted an inflation rate of 28 percent in 1992.

According to the most recent report issued by DANE, during the first 10 months of 1992 the value of the average Colombian family's shopping basket increased by 23.06 percent, a rate which led the government to conclude that it might be 26 percent higher, on an annual basis, by the end of December.

In the view of some observers reaching that goal will be 3[3 difficult, because it would imply that in November and December price increases would amount to no more than 1.1 percent per month, whereas historical statistics show that prices have risen by 1.4 to 1.5 percent per month, and even more.

Nevertheless, the government hopes that there will be no further increases in the prices of food or manufactured products. However, everything depends on what the manufacturing sector decides and, on the other hand, a return of the rains, so that the smaller harvests at the end of the year will not be even less.

Despite this fact, it can be prophesied that, unless something unexpected happens, inflation will be less than the 26.82 percent recorded in 1991.

Regarding the other key indicator for judging the activities of an administration, unemployment, there are also good prospects, thanks to which unemployment declined to 9.2 percent in the seven principal cities of the country.

Although some observers consider that unemployment has declined for seasonal reasons, because of the strong increase in building activity and because the number of people now looking for work has declined, the government hopes that this rate at least will remain the same and that the number of the unemployed will not go above the 490,000 who now walk the streets of the seven principal cities of the country.

The Leading Sectors

Several productive sectors have been the "saviors" of economic growth during 1992. The construction, industrial, mining, and even commercial sectors have turned in better performances than expected.

Building activity, particularly the construction of housing, which from the very beginning of 1992 was used by the government as a standard for judging the performance of the economy, grew by 45 percent up to September. This was a level which exceeded all expectations, because it was already greater than the historic record of 10 million square meters of housing actually built. In GDP terms the construction sector grew by 7.5 percent.

Manufacturing industry which, it was thought, would stagnate with the opening up of the economy and electricity rationing, also is showing positive signs. According to the most recent survey carried out by the National Association of Industrialists [ANDI], production up to September 1992 grew by 7.5 percent in real terms.

Nevertheless, some analysts consider that this is a rate which must be looked at as involving "working on inventory." Until July 1992 DANE estimated that manufacturing production had increased by 2.6 percent (not including the processing of the 33 coffee harvest). Furthermore, it should also be borne in mind that ANDI surveys do not cover small industry, which has been the second sub-sector most affected by the opening up of the economy and by electricity rationing. The most optimistic projections speak of 4.0 percent growth for the entire manufacturing sector.

Private investment, according to the National Planning Department, grew by 15 percent so far in 1992. This performance is basically the result of the need which companies have felt to modernize themselves to deal with the opening up of the economy.

This is not true of the agricultural sector, whose performance is unpredictable, and of the export sector, whose worst enemies are low international prices and the revaluation of the peso.

Ecuador

President Comments on Improving Peruvian Relations

PA0812142792 Quito Voz de los Andes in Spanish 1100 GMT 8 Dec 92

[Text] President Sixto Duran-Ballen said on 7 December he believes it is necessary to improve relations between the Ecuadoran and Peruvian people. Duran-Ballen emphasized the need to improve bilateral relations with the southern neighbor during the inauguration of the Ecuador-Peru, Distant Neighbors seminar.

The president of the Republic regretted that relations between the two nations have been reduced to the discussion of territorial issues and he emphasized the importance of reviewing other common topics.

President Sixto Duran-Ballen emphasized it is important for Ecuadorans and Peruvians to establish a mutual exchange and get to know each other.

UN Ambassador Comments on Somali Resolution

PA0812232392 Quito Voz de los Andes in Spanish 2200 GMT 8 Dec 92

[Text] Jose Ayala Lasso, Ecuadorean ambassador to the United Nations, has voted in favor of and expressed hopes for the success of the UN Security Council resolution to protect the basic human rights of the Somali people in the face of the abuses of the various factions that daily dispute power by force in that country. Such abuses have brought total chaos and mass hunger to Somalia. Jose Ayala Lasso said humankind's civilized conscience has observed with shock how the Somali people are unable to receive the humanitarian aid from international organizations from various countries.

Teachers Protest Time Change, Strikes Continue

PA0912014292 Quito Voz de los Andes in Spanish 2200 GMT 8 Dec 92

[Text] Students, teachers, and parents will stage a massive demonstration on 9 December to protest the time change, which forces students to leave their homes before sunrise and without safe means of transportation. They say the measure has caused problems, illness, and an increase in a feeling of insecurity. They added the time change, which was implemented on 27 November, has not produced the energy savings that the government was seeking in order to counter the energy crisis.

There is also a strike by oil workers set for 9 December. Approximately 6,000 workers are protesting the recent budget bill, which will reduce the industry's income and autonomy. On 8 December, 25,000 doctors and health workers began a strike to force the president to regulate the implementation of the medical salary law. There is also the threat of a strike by the Amazon region municipal leaders, who gave the government until 15 December to make several overdue budget disbursements to their respective treasuries.

These demonstrations come in addition to several strikes carried out by teachers and workers at the Ecuadoran Social Security Institute, public universities, provincial and municipal governments, the Ecuadoran Telecommunications Institute, and the post office. These various demonstrations are protesting economic measures or demanding budget appropriations and wage increases. The workers have demanded increases in education and health spending and have rejected the government's privatization plans.

EEC Banana Import Market Plan Rejected

PA0812235192 Quito Voz de los Andes in Spanish 2200 GMT 8 Dec 92

[Text] Ecuador has rejected a proposal presented by an EEC commission to create a common diversification and development fund to benefit Latin American banana producing and exporting countries. The draft regulation, which will govern the organization of a single banana market, will bring losses worth $500 million for the banana producing countries, hence Ecuador's rejection. Noteworthy is the fact that the banana producing countries have made expensive investments and now possess state-of-the-art technology for processing the fruit and offering the best possible prices and quality.

Paraguay

Colombian Foreign Minister Sanin Visits

PY0712155992 Asuncion ABC COLOR in Spanish 7 Dec 92 p 15

[Text] Shortly after her arrival here on 6 December, Colombian Foreign Minister Nohemi Sanin Posada announced that Paraguay and Colombia will eliminate the need for visas. She will sign an agreement with our country regarding the protection of children and review the bilateral trade agenda with Foreign Minister Alexis Frutos Vaesken.

The Colombian foreign minister arrived in our country at 1040 on 6 December. She was met at the international airport by Frutos Vaesken, Vice Foreign Ministers Marcos Martinez Mendieta and Oscar Cabello, Paraguayan Ambassador to Colombia Gerardo Fogel, and Colombian Ambassador to Paraguay Silvio Mejia Duque. She told the press: "We have a special association with Paraguay. Colombians believe that Paraguayans are Colombians and vice versa, and it makes no sense that we should need a visa to come here."

During her stay in our country, the minister will review the trade agenda with our country. "We do not have important trade relations. We have been talking with Frutos Vaesken about the need to harmonize the various regional and subregional agreements," she said.

She stated that the documents to be signed, agreements and treaties, must be practical in order to further enhance relations between our countries. "We want more Paraguayans to visit Colombia. I will tell my fellow countrymen that as they no longer need visas, they should visit Paraguay more often," she added.

The official agenda of Nohemi Sanin Posada, 43, is as follows for today: At 0800 she will lay a wreath at the National Heroes Pantheon and visit President Andres Rodriguez at Government House.

She will then meet with her Paraguayan colleague, Alexis Frutos Vaesken in his office. She will also be decorated with the Extraordinary Great Cross of the National Order of Merit. At 1330, she will lunch with businessmen, and at 1700 she will visit Congress where she will meet with the presidents of the Senate and Chamber of Deputies.

Signs Trade Agreements

PY0712220592 Asuncion ULTIMA HORA in Spanish 7 Dec 92 p 9

[Text] Paraguay and Colombia will promote investment, trade, and technological exchange, Colombian Foreign Minister Nohemi Sanin Posada said today after a meeting with Paraguayan Foreign Minister Alexis Frutos Vaesken.

The two foreign ministers this morning signed agreements for trade exchange; protection and aid to children; a consultation mechanism; elimination of visas; and aeronautics.

The Colombian foreign minister said that future bilateral relations will be based on the three mentioned points. She added that currently no trade exits between Paraguay and Colombia, but that it will be promoted through this agreement and other instances. A joint committee will be created to promote trade; it will meet in Paraguay in the first quarter of 1993.

On the other hand, Nohemi Sanin Posada said this committee will also discuss tourism, trade, and the aeronautics agreement, that is, direct flights between the two countries in order to promote tourism.

She also said that the other main pillar of future relations between the two countries is centered on the promotion of reciprocal investments. She said Colombia could help Paraguay in complementary technological fields. As the second flower-exporting country, Colombia may transmit to Paraguay some knowledge and production and marketing techniques in this field.

The Colombian foreign minister also said that the third pillar will be the technological field.

Development of the two countries will depend on their future technology. In this regard, Colombia could counsel Paraguay in the universities.

This morning, Nohemi Sanin Posada met first with President Andres Rodriguez in Government House, to whom he expressed that there is great admiration in Colombia for the democratic process Paraguay is experiencing, as well as admiration for the work of President Rodriguez.

Proposes Joint Ventures in Flowers

PY0912000992 Asuncion ULTIMA HORA in Spanish 8 Dec 92 p 22

[Text] Speaking to approximately 30 businessmen who had lunch with her yesterday, Colombian Foreign Minister Nohemi Sanin Posada proposed that Paraguay and Colombia engage in shared risk undertakings (joint ventures). The best chances for setting up joint ventures appear to be in the area of flower production. To this end, she urged all businessmen to promote trade between the two countries.

Upon stating that trade between Paraguay and Colombia has been "symbolic," the Colombian foreign minister urged Paraguayan businessmen to redouble their efforts to increase bilateral trade in the near future.

Sanin thus invited local businessmen to visit her country to see which Colombian items can be exported to Paraguay and, vice versa, which Paraguayan items can be marketed in Colombia.

She described Colombia as the Latin American country that has remained most stable, both economically and politically speaking, in the past 15 years.

She stated that it is her primary objective to promote the formation of Paraguayan-Colombian joint companies with a view to entering the Andean Pact market as well as the Common Market of the South.

The Colombian foreign minister added that flower production appears to be the area offering the best chances for a joint undertaking. Colombia is the world's second largest producer of flowers, next to the Netherlands.

Colombia and Paraguay would complement each other as follows: Colombia has the managerial capability and marketing network, while Paraguay has adequate land, sufficient water for irrigation, and the necessary manpower.

Joint exports would also take advantage of the cargo space available on planes landing in our country.

Finally, the Colombian foreign minister expressed her desire that the longtime dream of an American free trade zone ranging from Alaska to Tierra del Fuego will come true in the next few years. She described all integration processes in the continent as "temporary," which must be aimed above all at accomplishing the above dream.

Nation To Boycott Mercosur Subgroup Meetings

PY0812113992 Asuncion ABC COLOR in Spanish 8 Dec 92 p 10

[Excerpt] A note submitted to the Mercosur [Common Market of the South] Administrative Secretariat, which is headed by Alvaro Moerzinger, states: "As coordinator for Paraguay of Subgroups No. 1 (Trade Affairs) and No. 7 (Industrial and Technological Policies), we wish to inform you that it will be impossible to participate in the meetings that already have been scheduled. We also wish to inform you that our delegates participating in Subgroups No. 3 (Technical Norms), No. 4 (Fiscal and Monetary Policy), No. 8 (Agricultural Policy), and No. 10 (Coordination of Macroeconomic Policies) will not participate in the aforementioned meetings until there is a clarification for our country regarding Argentina's decision to unilaterally increase the statistics fee." The note is signed by Ruben Dario Fadlala and dated 3 December, but was only made known to this newspaper on 7 December. [passage omitted]

Peru

Fujimori Reaffirms Restructuring at Army Ceremony

PA0912041992 Lima Global de Television Network in Spanish 0100 GMT 9 Dec 92

[Text] President Alberto Fujimori has reaffirmed the government's decision to move ahead without hesitation in its structural reforms. He said the goal is to change Peru with specific actions on all fronts. He presided over a ceremony on Army Day, during which General Nicolas de Bari Hermoza Rios, commander of the Armed Forces Joint Command, reiterated the unity of the people with the Armed Forces.

President Alberto Fujimori headed the main ceremony at the San Borja Central Garrison on the occasion of the 168th anniversary of the Battle of Ayacucho, which also marks Peruvian Army Day. The president and General Hermoza Rios commented on the significance of the historic events in Ayacucho. [passage indistinct]

Hermoza also spoke about the unity between the Armed Forces and the people, which can be seen in the 157,000 persons who are grouped in 4,654 peasant defense patrols. Despite this, the general said, some people want to discredit this unity. [passage indistinct]

President Fujimori welcomed the Army's commitment in the task of changing Peru, adding that to achieve those results it has been necessary to rule with decisiveness and without timidity.

[Begin Fujimori recording] War is won with courage and [word indistinct] not with timidity [passage indistinct] a great, just, and sovereign fatherland. [applause] [end recording]

The ceremony ended with a colorful parade of Armed Forces and police battalions.

Fujimori on Candidates for Lima Mayor, Fraud Case

PA0912044492 Lima Global de Television Network in Spanish 0100 GMT 9 Dec 92

[Text] President Alberto Fujimori has said that names are currently being studied to find possible candidates for the Change 90/New Majority Movement Coalition ticket for mayor of Lima. The president addressed this and other issues.

[Begin recording] [Fujimori] I wish to deny all speculation by politicians indicating that the Peruvian Institute of Social Security, IPSS, is about to disappear. The IPSS is experiencing certain difficulties. If the IPSS had been managed efficiently, without the political maneuverings we saw and without diverting its resources to other purposes, the IPSS today would have more than $20 billion to meet its pension obligations. So how much does it have? It has $400 million in receivables and $100 million in liquid assets. What does this mean? It means the administration has been inadequate for the last few decades. Its administration has been based on demagoguery, and the state—not this administration, mind you—used it as its petty cash to pay for some of its needs.

[Unidentified reporter] You said those responsible for the embezzlement of U.S. Navy assistance funds could be labeled as traitors. How should we interpret that?

[Fujimori] At face value. They are traitors. Those few officers who have used the $11.5 million improperly, those who have taken the funds for themselves, should be severely punished. Remember that several officers implicated in the case of misappropriated Military Industries of Peru funds received sentences of up to eight years. They used the funds for certain illegal business transactions with [words indistinct].

[Reporter] There are just a few days left for candidates to register for the municipal elections. Has the Executive Branch or the Change 90/New Majority Movement Coalition decided who will represent them?

[Fujimori] Yes. We are working nationwide in the main provinces, particularly here in Lima, to find the best qualified candidates. We are going to use all available means to complete our evaluations and thus have the strongest candidates to compete with other political forces.

[Reporter] [words indistinct] Gustavo Miller and [words indistinct]?

[Fujimori] We are still in the evaluation phase. Allow me to say I have a broad point of view on that. We do not have the characteristic political party rigidness. I said on the morning of 8 December that this is not a group or

party government. We are open minded. We must find the best person and back him or her during the campaign. [end recording]

'Top' Regional Shining Path Leader Captured

PY0812233092 Lima EXPRESO in Spanish 26 Nov 92 p A10

[Text] Piura—Teacher Laura Iparraguirre Saldana, Piura's top Shining Path leader, was captured a few days ago in this city, along with 12 other Shining Path members. Iparraguirre Saldana is the cousin of Elena Albertina Iparraguirre Revoredo, aka Comrade "Miriam," the second highest-ranking Shining Path leader (and Abimael Guzman's romantic companion).

The security forces of the region consider this to be a very hard blow against the terrorist organization, because Laura Iparraguirre to be the Shining Path political-military leader in Piura.

The group that she headed was planning a wave of terrorist attacks to boycott the elections for the Democratic Constituent Congress.

According to reliable sources, the terrorist leader was captured on 18 November in Chulucanas, Morropon Province, after a bomb attack against a bus of the Civa inter-provincial transport company, which is owned by former PPC [Popular Christian Party] Deputy Ciccian Vasquez. According to several witnesses, Laura Iparraguirre and two men threw a bomb under a bus parked on a street in downtown Chulucanas.

During the police action, one of the men who accompanied the Shining Path leader died. He is believed to be a school teacher.

The Piura police sent the detainee's fingerprints to the laboratories of the Criminal Directorate in Lima to confirm her identification. The investigation had positive results.

Names of the 12 other detainees are being kept secret while investigations are underway. The detainees had arms and explosives in their possession.

Army Intelligence Chief Forced To Retire Over Coup

PY0812233692 Lima CARETAS in Spanish 3 Dec 92 p 28

[Text] General Juan Rivera Lazo, head of the Army's Intelligence Directorate, has been forced to retire. Gen. Rivera is an artillery officer considered to be a friend of presidential adviser Vladimiro Montecinos. The argument used to force him to retire is that he was unaware of the recent military countercoup. Rivera, who is known to be a member of the so-called "red tide" group [soldiers favored by former Army Captain Vladimiro Montecinos] within the Army, has been placed on availability status at the Army personnel department. General Willy Chirinos Chirinos, another artillery officer, has been appointed to replace Rivera. Gen. Chirinos was serving as an inspector at the Arequipa-based 3d Military Region.

Government Extends Tenure of Chief Justice

PY0912022492 Lima EXPRESO in Spanish 26 Nov 92 pp A2, A3

[Text] The government yesterday amended the Judicial Branch Organizational Law. Among other measures, it extended until December 1994 the mandate of the incumbent chief justice of the Supreme Court, Luis Serpa Segura, who has been temporarily serving in this office since the reestructuring of the justice adminstration system following the events of 5 April.

Decree-Law 25869, published yesterday in the official gazette EL PERUANO, includes amendments to 22 articles of the above organizational law, especially new provisions for regulating the operation of executive bodies of the Judicial Branch such as the Executive Council and the Office for the Supervision of Magistrates, in addition to provisions for the operation of jurisdictional courts.

The main innovation introduced by these amendments are the procedures for electing the chief justice of the Supreme Court, whose term in office will last three years. In accordance with Article 74 (as amended) of the law, the chief justice will be elected from among incumbent justices by his colleagues—whether on temporary or indefinite appointment—and by members of all court districts in the country.

The decree-law also creates the Executive Council of the judicial branch, to replace the Government Council; and the Office for the Supervision of Magistrates, to replace the judicial branch Internal Control Office. It outlines the composition, functions, and powers of these new bodies. It also creates an unprecedented general management office, which will be charged with implementing, coordinating, and supervising nonjurisdictional administrative activities of the judicial branch.

In its first temporary article, the decree-law establishes—in addition to extending Chief Justice Serpa's term—that the first Executive Council, whose members will also also be in office until 1994, will consist of Luis Serpa Segura, David Ruelas Terrazas, Manuel Sanchez Palacios Paiva, Orestes Zegarra Zevallos, and Guillermo Lohmann Luca de Tena. The provisions established for the election of judicial branch officials will be followed only in future cases.

Temporary System

Article 83 (as amended) provides that the presidents of superior courts will be elected by all the magistrates, whether on temporary or indefinite appointment, of the respective district and they will also serve for three years. The article does not specify, however, whether the

incumbent presidents are being confirmed in their posts or whether they will have to leave office by the end of this year.

The decree-law also empowers the plenary session of the Supreme Court, with all 18 justices voting, to conduct every five years a performance evaluation of all magistrates and court officials to oversee the competence of those charged with administering justice. The evaluation will also affect the justices and it should not coincide with general elections and it should conform to constitutional and legal provisions.

The minimum age required to become a justice of the Supreme Court has also been reduced by five years. The 1979 Constitution, which should be amended by the Democratic Constituent Congress-elect, provided that the minimum age to become a justice is 50, but this provision had not been followed when appointing the incumbent provisional members of the Supreme Court.

* Government's Human Rights Record Criticized

* 'Campaign' Against Leftists

93SM0071A Lima CARETAS in Spanish 29 Oct 92 pp 25, 88

[Article by Javier Diez-Canseco, head of the Mariateguist Unified Party (PUM): "The Pit and the Pendulum"]

[Text] The Fujimori dictatorship has sought to depict an image of maintaining certain basic freedoms, such as freedom of speech, while simultaneously heightening its offensive against terrorism. It is the image of the "mild dictatorship," of authoritarianism without repression, or with very selective repression.

However, the truth is quite different. There is a major repressive offensive against leftist political leaders, progressive intellectuals, and popular leaders, who have been falsely accused of terrorism. Little known, it is a covert campaign that is advancing increasingly, one toward which a collusory silence cannot be maintained.

Perhaps the case most publicized is that of Jose Manuel Ramirez Garcia, a journalist and social researcher on human rights issues, who was arrested on 17 August in the city of Cusco, where he resides. His differences with Shining Path and terrorism are public knowledge in the southern Andean region. Jose Ramirez has been accused of terrorism, with the work records and documents of Shining Path and on counterinsurgent activity that he was using in his research as the only evidence furnished. It would appear that, to the dictatorship, being intelligent and attempting to become thoroughly knowledgeable on the pressing issue of terrorism and counterinsurgency is a sufficient crime to warrant conviction. Although there was no real evidence against him, he has been in custody for two months, and has been placed at the disposal of a faceless court. The female judge hearing the case has not pronounced judgment, evidently out of fear for her future if she acquits him, even though he is obviously innocent.

A more likely reason for his detention is that he cooperated with the Senate Commission that investigated the massacre in Chumbivilcas. It found indications that an army column may have been the perpetrator of the murders of several dozen peasants in that Cusco province. With this detention, the politico-military commanders of the emergency zones may be attempting to maintain an atmosphere threatening to anyone investigating or exposing their abuses of fundamental human rights.

There are also the cases of Jesus and Romulo Mori Zavaleta. The former is secretary general of the Amazonas Departmental Peasants Federation, and both are members of the Mariateguist Unified Party. They were arrested on 22 May in Chachapoyas, and accused of being terrorists for having treated a blood-related nephew of theirs brought to their house by an armed group demanding that he be given medical treatment. It is also argued that basic documents for the PUM's Third Congress, as well as flyers and communiques of their union, the Peasants Confederation of Peru [CCP], were found in their possession.

Other peasants unjustly detained are Victor Morales Laban and Crisanto Velasquez Flores, along with eight other leaders of the Forest Defense Front of San Ignacio Province (Cajamarca). The peasants in this area have maintained a struggle in the defense of the "El Chaupe Chinchiquillan-Namballe" National Park, opposite the INCAFOR, S.A., lumber company. Since it is owned by a vice minister in the present government, engineer Paitsos, it has obtained permits to exploit woods in a national park in the area. The peasants were arrested and taken away in a pickup truck belonging to the INCAFOR firm itself! This shows that the charge was concocted by the company to continue its anti-ecological operations. They have been in prison for three months, accused of a non-existent crime of terrorism.

Also under arrest is the PUM secretary general in the Grau Region, Cesar Augusto Sosa Silupu, who has a disability left from polio. He was arrested by the police, who were attempting to implicate him in the murder of Luis Paredes Maceda, former president of the Grau Region, merely because some witnesses claimed that a disabled person had participated in the crime. The person really guilty was arrested later, but Cesar Sosa is still accused of being a terrorist, because he had socialist literature in his house. If that is a crime, then I, too, am guilty of it. His well-known activity has prompted various prominent individuals from Piura, such as the former regional vice president, Miguel Galecio, and Reverend Father Francisco Muguiro, from the Solidarity Deaconry of the Piura Archbishop's See, as well as peasant, trade union, and people's organizations, to demand his release. The prosecutor in charge of the case

himself admitted Sosa's innocence, but he has been charged "based on orders from Lima."

The establishment of a dictatorial regime has permitted the unjustified, indiscriminate detention of the regime's opponents, especially if they maintain leftist positions. The fact that this is a policy being implemented gradually has allowed it to go unnoticed. However, there is no need to let it continue, much less allowing the monkey dictatorship to wear silk clothing.

* Bustios, Sosa Cases

93SAM0071B Lima CARETAS in Spanish 29 Oct 92 p 50

[Unattributed article: "The Last Straw"]

[Text] The Supreme Court, with Luis Serpa Segura (known to have been a policeman before he began his judicial career) presiding, has decided to shelve the investigation of the Bustios Case, in an unprecedented resolution with the aspect of an international scandal. The magistrates declared admissible a motion for res judicata [previous adjudication] filed by the presumed killers of the Huanta journalist, namely, Army officers Colonel Victor La Vera Hernandez and Major Amador Vidal Sambento.

A year since the petition was appealed before the Supreme Court, after its rejection in the first two appeals in the Ayacucho Judicial Branch, it acquired a new, irrefutable aggravating circumstance: The accused never surrendered to the authorities to submit to questioning: something that constitutes incriminatory behavior, per se, in any court in the world.

The legal sophistry of the government-backed Supreme Court was based on the claim that both Army officers had been acquitted of these charges by the Board of Military Justice, in a process the propriety of which is quite obviously debatable: The testimony of the eyewitnesses to the crime was not taken into consideration, and absolute credibility was given to the accounts from the accused and those of four other soldiers under their orders at the Castropampa military quarters in Huanta.

Before the coup of 5 April, the investigators of the Bustios case had managed to glean (in the common jurisdiction) solid arguments and evidence warranting expectations of a fair and exemplary verdict. Nevertheless, after the military coup, and with the story about the Judicial Branch's moralization, the magistrates appointed in accordance with instructions from the Palace confined themselves to obeying orders "from above."

The case involving the journalist Magno Sosa is yet another one of the Peruvian justice system's gems under this totalitarian regime.

Arrested two months ago based on the absurd charge of being a member of Shining Path, and without any supporting evidence, the Ayacucho journalist remains imprisoned in an unsanitary cell, living with highly dangerous common criminals. This ominous, precarious situation has caused a decline in his health, because he is now suffering from bronchial and stomach ailments without receiving the proper treatment.

Meanwhile, the head of the 43d Trial Court has still failed to obtain the handwriting expert's report on an alleged "letter of subordination," attributed to Sosa by the Dincote [National Counterterrorism Directorate]: the only evidence that would incriminate the journalist. According to Sosa's attorneys, it is non-existent, because it is not contained in the case records.

* 'Faceless Court' Case

93SM0071C Lima SI in Spanish 19 Oct 92 p 27

[Unattributed article: "And the Evidence?"]

[Text] The procedure and evidence used to convict the Cerro de Pasco resident, Francisco Alania, the first person sentenced by a faceless court, a system now being used for proceedings and trials involving crimes of terrorism, leave serious doubts about its propriety. This statement was made by his defense attorney, who asked SI to keep his identity secret for security reasons.

Alania was arrested on 7 August, during a police raid on the Felix Raucana human settlement in the Lima district of Ate-Vitarte. After a mandatory passage through the Dincote, he was confined in the Lurigancho prison.

His defender was notified during the second week of August that the first hearing would be held at that prison center at 0800 hours on 19 August.

According to the lawyer, on that day everything in the prison was in disarray. The process began two hours late. The presiding officer of the chamber, who occupied another room with the rest of the board members, announced his intention of concluding the trial on that very day. The attorney eventually succeeded in having five hearings held.

According to the police witness, when Alania was arrested he was wearing a blue sports sweat-suit, and was carrying a knapsack containing explosives. However, the news video, "90 Seconds," on Channel 2, which recorded the police raid and capture, showed that on that occasion the subject under arrest was dressed differently, and carrying only a newspaper in his hands.

The defense lawyer also argued that the paraffin test made by the police on his client had proven negative.

None of those arguments served to prove that he was a mere street vendor of clothing.

The attorney notes that the prosecutor based his charges on subjective claims: on the assertion that the person arrested came from Cerro de Pasco, considered a red-light district; that terrorists almost always wear sweat-suits "so as not to be recognized"; and that the reason for

his having no traces of gunpowder on his hands was that terrorists were in the habit of using third persons to carry explosives.

The faceless court sentenced Alania to 10 years in jail.

The defense attorney comments: "My client began crying. A member of Shining Path, on the other hand, would have shouted cheers for this party. Now, Abimael Guzman's supporters are pressuring him to join their ranks."

SI made a futile attempt to gain access to the written text of the court's convicting resolution. It was not even turned over to the lawyer, although he had requested it on repeated occasions.

Regardless of Francisco Alania's innocence or guilt, the determination of which is a function of the justice system, this case serves as a warning of the risks entailed in the procedure now being used to try cases of terrorism.

* Jurists on Withdrawal From San Jose Pact

93SM0070C Lima SI in Spanish 19 Oct 92 pp 18-21

[Text] Peru's withdrawal from the American Convention on Human Rights of San Jose de Costa Rica is not an insignificant matter. Rather, it is something transcending our borders, and possibly entailing international problems.

Last Thursday, the president of the republic pompously declared that Peru would give notice of termination of the "San Jose Pact." He devoted only one sentence to this: "We shall withdraw, and that requires a process."

Nevertheless, 24 hours later he had to make a parcial correction, stating that the notice of termination would apply only to the articles relating to the death penalty.

Peru has been a signatory of the San Jose Convention since it was signed in the Costa Rican capital on 22 November 1969.

The Convention went into effect on 18 July 1978, subject to ratification by each of the nations. The military government approved the Convention on 10 July 1978, through Decree-Law 22233.

The death penalty was abolished in Peru on 12 July 1979, by a mandate based on the First General Provision of Title VIII of the Constitution, which put Article 235 of the new Constitution into effect. This article states, verbatim: "There is no death penalty except for treason against the nation in the event of a foreign war."

Improvisation could be one of the reasons for the presidential initiative, as well as for the partial retraction. Nevertheless, it is most likely that these presidential moves have two considerably more calculating reasons underlying them: To make the death penalty issue a main topic of the electoral campaign for the Democratic Constituent Congress (CCD), thereby using Abimael Guzman's arrest to polarize public opinion in his favor. It would be a way of lending a hand to his candidate, who has not yet become consolidated.

The second reason may be more deepseated, namely, that withdrawal from the San Jose Pact could pave the way for impunity with respect to the human rights issue, or for illegitimizing (if the withdrawal does not materialize) decisions that might be made by the Inter-American Court of Human Rights. The latter could occur in such sensitive cases as that of the Cayara massacre, virtually on the eve of the decision, or the trial of former President Alan Garcia.

This category might include the petitions containing complaints submitted for alleged violations of judicial guarantees established in the Eighth Article of the Pact, that might have occurred in the summary proceedings held in cases of terrorism after 5 April.

In the Garcia case, for example, the Inter-American Commission sent a message to the Peruvian Government, on 2 October, requesting that it adopt measures aimed at guaranteeing the former president respect for his right to the judicial guarantees due him, and respect for the principle of "res judicata" [former adjudication], which it deems applicable in this case.

As for the possibility of giving notice of termination affecting only the articles related to the death penalty, this is not such an easy matter. As the experienced Javier Valle Riestra notes, according to the Geneva Convention on Treaties partial notices of termination are not allowed.

Nor is a notice of termination applied to human rights pacts permitted, much less a notice of termination involving institutions of an international nature.

And the matter becomes even more complicated when the withdrawal procedure is concerned, because the notice of termination may not be given by the president of the republic alone, but requires approval from the Congress. Moreover, since it has been incorporated into the Constitution, it must be subjected to the constitutional amendment process; which extends the deadlines for a possible reinstatement of capital punishment in Peru.

According to people like Andres Aramburu Menchaca, the death penalty will be impossible before 1995, and is contingent on the CCD's approval of its reinstatement during January of next year, in a first regular legislature. The reinstatement would have to be ratified a year later in a subsequent first regular legislature. From that time on (January 1994), the pre-notification period, which is another year, would extend until January 1995. During that interval the obligations for the member nations remain in effect, and the cases brought to the Court continue their progress until the eve of that year.

However, as Valle Riestra remarks, if Peru's interest is focused only only one aspect of the San Jose Pact, the course of action is not notice of termination of the

Convention, but rather implementation of the procedure called for in the Pact itself, in Article 76. This is an amendment requesting a unique system for our country from the OAS General Assembly.

That was the procedure followed by the U.S. Senate regarding Article 4 of the Pact, precisely, because it considered the legislation in certain states of the Union contradictory to this article of the Convention.

Another course of action, still according to Valle Riestra, might be to inquire of the Inter-American Court whether Peru, by amending its Constitution, could restore the death penalty according to the stipulations in the Constitution of 1933. The latter approved of it in cases of treason against the nation, first-degree murder, and other instances prescribed by law, and was the Constitution in effect in our country at the time that Peru signed the Convention.

Hence, if there is no impediment, the CCD, upon being installed in January 1933 in its capacity as a constituent body, is not bound to the mechanisms of the constitutional amendment, and could issue a law with constitutional status, subject to approval by referendum, reinstating the death penalty for specific cases.

Valle Riestra comments: "In this way, the human rights structure that has been so difficult to build would be preserved, and Peru would be saved from being considered a lawless nation. And, most importantly, no insurrection would be legitimized."

The latter would be the ethical course of action. As Aramburu Menchaca notes, the other, since this is a de facto government, is the issuance of a decree-law giving notice of termination of the San Jose Pact now, and sending the message to the OAS Secretary General immediately thereafter, to allow the pre-notification period to go into effect.

Obviously, this latter position would be strongly disapproved internationally, primarily because it would occur a mere month from the elections for the Constituent Congress, and within a few days of Bill Clinton's (now almost virtual) election as president of the United States.

[Box, p 19]

Correcting Fujimori

Doctor Andres Aramburu Menchaca, a member of the constituent assembly of 1979, and dean of the Lima Bar Association [CAL], indicates that Peru would be the first country to give notice of termination of a human rights pact.

[SI] Doctor Aramburu Menchaca, President Fujimori has announced the notice of termination of the San Jose Pact. What will the procedure be?

[Aramburu] The notice of termination of a treaty is usually a function of the chief of state.

In Peru, however, the Constitution stipulates particular rules in Articles 105 and 107.

Article 105 gives constitutional status to international pacts or treaties on human rights. It specifies that notice of their termination may be given only through the procedure in effect for amending the Constitution. And Article 107 requires intervention on the part of the Congress.

However, since we have a de facto regime, the constitutional provision will be bypassed through a decree-law.

The purpose of this bypass seems to be to facilitate the restoration of the death penalty, satisfying the public opinion that appears to favor it so much on the eve of the CCD's arrival.

If the goverment does this through a decree-law, the notice of termination will not go into effect until a year later.

And if the one doing this is the Congress, for example, in January 1993, it will have to wait the very same length of time, because the treaty so stipulates.

[SI] What effects will this notice of termination have in the international area?

[Aramburu] The notice of termination of the treaty will have a negative effect in the international area, because it is the first instance of a notice of termination of a human rights pact. And the country's situation will have to be explained very clearly to justify the notice of termination.

[SI] In judging crimes of terrorism, an attempt is being made to replace the principle that "the defendant has the benefit of the doubt" with the one claiming that "the society has the benefit of the doubt."

[Aramburu] That's impossible. "Indubio pro societatis" [certainty in favor of society] doesn't exist as a principle. Human rights are intended to protect individual rights.

[Box, p 20, left]

San Jose Convention

The "Pact of San Jose de Costa Rica" is the name of the American Convention on Human Rights approved by the countries comprising the OAS on 22 November 1969, in the city of San Jose, Costa Rica.

Its purpose is to consolidate on the American continent a system with personal freedom and social justice, based on respect for the essential human rights, justifying an international protection of a conventional nature.

Following are some of the articles regarding human rights protected by the San Jose Pact:

- 4.1. Every person is entitled to have his life respected. This right shall be protected by law and, generally,

from the moment of conception. No one may arbitrarily be deprived of life.

- 4.2. In countries that have not abolished the death penalty, it may be imposed only for the most serious crimes, in fulfillment of a sentence issued by an authorized court, and in accordance with a law stipulating such a penalty, passed prior to the commission of the crime. Nor shall its application be extended to crimes to which it does not currently apply.
- 4.3. The death penalty shall not be reestablished in states that have abolished it.
- 4.4. In no instance may the death penalty be applied for either political crimes or common crimes associated with political crimes.
- 5.1. Every person is entitled to have his physical, mental, and moral integrity respected.
- 5.2. No one may be subjected to torture, pain, or cruel, inhuman, or degrading treatment.
- 7.1. Every person is entitled to personal freedom and security.
- 7.3. No one may be subjected to arbitrary arrest or imprisonment.
- 8.1. Every person is entitled to be heard, with the due guarantees, and within a reasonable period of time, by an authorized, independent, and impartial judge or court, established previously by law.
- 8.2. Any person accused of a crime is entitled to have his innocence presumed so long as his guilt has not been legally established.
- 8.4. The accused who has been acquitted through an unappealable decision may not be subjected to another trial for the same actions.
- 9. [number as published] No one may be convicted for actions or omissions which, at the time of their commission, were not criminal according to the applicable law. Nor may a penalty more serious than that applicable at the time of the commission of the crime be imposed.
- 11.2. No one may be subjected to arbitrary or abusive interference in his private life, or that of his family, or in his domicile or correspondence, nor of illegal attacks on his honor or reputation.
- 12.1. Every person is entitled to freedom of conscience and religion.
- 13.1. Every person is entitled to freedom of thought and speech. This right includes the freedom to seek, receive, and disseminate information and ideas of any type, regardless of boundaries, either verbally, in writing, or in printed or artistic form, or by any other procedure of his choice.
- 16.1. All persons are entitled to associate freely for ideological, religious, political, economic, occupational, social, cultural, or sports purposes, or those of any other type.

[Box, pp 20-21]

Complex Process

Morality condemns ideas; the law only penalizes external human acts. This assertion is made by Doctor Jorge Avendano Valdez, dean of the Catholic University Law School, and candidate for that position in the Lima Bar Association.

[SI] The president of the republic has announced that the government has decided to give notice of termination of the San Jose Pact. What is your opinion?

[Avendano] It's not an instantaneous process. Peru has to give notice of termination of the treaty, wait a year, and then comply with the other specified additional procedures whereby it will be released and excluded from the accord.

Not until that time will the Peruvian Government be legally empowered to pass a law establishing the death penalty, because, under the present circumstances, that pact has the force of law in the Republic, by virtue of the provisions of the Constitution of 1979.

So, at the present time there is a legal ban on establishing the death penalty.

[SI] Is it possible, as has been hinted, to apply the death penalty to Abimael Guzman or Victor Polay, for example, based on terrorist acts committed after the promulgation of the law establishing the death penalty?

[Avendano] That's a highly complex problem from the standpoint of criminal law. What is required to apply a penalty is perpetration: in other words, there must be a direct relationship between the perpetrator and the crime.

Abimael Guzman will be kept incommunicado, so he has no way of communicating with his supporters. In principle, it appears that there will be no relationship between any orders that Guzman might issue and acts on the part of his supporters.

In this case, I have read that the president of the republic has announced that a special decree-law would be issued, establishing this connection. After all, there are ideas that have been conveyed over a period of time, but no one has been convicted for his ideas.

Morality condemns ideas, but the law only condemns and penalizes external human acts. It's the well-known issue of the intellectual perpetrator of a crime, that is, the person who organizes and conceives it, giving the pertinent instructions; while the other one carryies them out. But there is an act on that person's part. It's not merely the conveying of ideas because, on that basis, we could convict Marx, who is in his grave.

[SI] Is it feasible to introduce as a principle "the society has the benefit of the doubt" in judging crimes of terrorism?

[Avendano] That has already been discussed in Peru and abroad; so the idea expressed by the president of the republic has already been explained.

The legal definition is the following: there is a universal principle, "indubio pro reo" [certainty in favor of the accused]. In case of doubt, innocence is presumed. The accused has the benefit of the doubt. If it has been impossible to prove his guilt, then the accused goes free.

Recently, however, for several years, after terrorist crimes began to appear in Italy, Germany, and other European countries, and generally, all over the world, in criminal doctrine a theory began to be devised claiming that the society must defend itself, and that the first value to be defended is the society. Hence, the society and not the accused must have the benefit of the doubt.

In this case, what the president of the republic has said accepts modern trends in criminal law relating to doubt.

But I don't know of any part of the world where it has legal acceptance (a written law). I do know that many foreign penal law experts and some in Peru as well have favored this principle: "the society has the benefit of the doubt."

[SI] Is there justification for the concern that unjust convictions might occur after the recent changes in the antiterrorist legislation?

[Avendano] Yes, and I have been observing some instances already. Public opinion carries so much weight in this case, because the common judges applying the legislation are acting in an overly severe manner. A balance must be established. It's all well and good to prosecute terrorists, but not everyone arrested is a terrorist. There are people located in the surrounding area: in the specific case of Abimael Guzman's arrest, there were people arrested and later released. But the prosecutors and judges are almost literally going by what the police claim, which is dangerous. I think that we must arrive at a state of equanimity, in which judges will feel freer from this tremendous social pressure.

And I fear that the same thing might be happening in the military courts. We know little about what has taken place in these latest proceedings.

Nor should we forget that the military courts are accepted universally, and that in other parts of the world trials are held in a single day.

Venezuela

Defense Minister Reports Arrests in Coup Attempt

PA0912040792 Caracas Venezolana de Television Network in Spanish 2350 GMT 8 Dec 92

[Text] Defense Minister General Ivan Dario Jimenez Sanchez stated on 8 December that the War Council issued arrest warrants against the 200 soldiers who took part in the 27 November uprising. He made the announcement at Miraflores Palace after he met with the president.

The defense minister underscored the fact that 240 soldiers will stand trial in connection with the 27 November events. Of those 240, 40 remain in Peru, where they fled the day the coup attempt took place. Jimenez Sanchez said 200 have already been detained and are being held at the Lino de Clemente garrison, in the military police garrison at Fort Tiuna, and at the San Carlos garrison—all in Caracas.

The defense minister referred to the Republica 2 plan that was put into effect throughout the country during the 6 December elections. He stated that after an analysis, it was confirmed to have been a complete success and there is no reason to think otherwise.

Interior Minister Luis Pinerua Ordaz reported that the civilians under arrest for taking part in the 27 November coup attempt are also in the hands of military courts.

[Begin Pinerua recording] Those arrested are in the hands of the military courts. The military courts will report on whom and how many are involved. [end recording]

CSE President Holds News Conference

PA0812174492 Caracas Venezolana de Television Network in Spanish 1550 GMT 8 Dec 92

[Interview with Isidro Morales Paul, Supreme Electoral Council, CSE, president, by unidentified reporters at the CSE facilities in Caracas; live—broadcast in progress]

[Text] [Morales Paul] ....and I also have the electoral projections. You know these are the only official electoral results we recognize. Excuse me. We have a situation in Nueva Esparta State that demands the Supreme Electoral Council's [CSE] intervention. We have sent First Vice President Latuff and Dr. Antonio Jose Urbina. We also have asked the authorities in charge of the Republic Plan to adopt additional security measures and to prevent any disruption of public order.

[Reporter] What is the situation in those states?

[Morales Paul] It is...

[Reporter, interrupting] Can you tell us what controls will be adopted by the CSE supervisors?

[Morales Paul] The situation prevailing in Nueva Esparta State demanded the CSE's intervention. That is why we sent this commission. We have issued an appeal urging everyone to remain calm. We are talking about close results and, naturally, the interested parties are nervous. We have asked the authorities in charge of the Republic Plan to step up their security measures and to prevent any situation disruptive to public order.

[Reporter] Will the Armed Forces be sent to Lara State if the same situation arises?

[Morales Paul] We also have adopted some security measures in Lara State. We have asked those in charge of

the Republic Plan to do this. The situation in Portuguesa State is returning to normal. The tallying of votes continues. The results in Delta Amacuro are recognized practically. The results in Guarico State also have been recognized.

[Reporter] What are the results? Can you tell us who won?

[Morales Paul] Well, apparently.... [pauses] Based on what I received informally.... [pauses] This is not an official CSE statement, meaning I am repeating information sent to me by the electoral board and the CSE delegates...

[Reporter, interrupting] Who are the virtual winners?

[Morales Paul] The Social Christian Party, Copei, candidate apparently is the winner in Guarico State.

[Reporter] Malave Rizzo.

[Morales Paul] Malave Rizzo. Mata, the Copei candidate, won in Delta Amacuro State. Donia appears to be in the lead in Portuguesa Department, followed by Rivero and Colmeranes, in second and third place, respectively; but the difference is very small. There also is a close tally between candidates Martinez and Navarro in Sucre State. Machado seems to have defeated Losada by a small margin, 800 votes, in Cojedes State. The tallying began this morning in Barinas State, because the electoral board decided to wait until all the information had arrived. I have asked them to step up the process because there is no reason for delays, and we almost have finished in the rest of the country.

[Reporter] Dr. Morales Paul....

[Morales Paul, interrupting] Excuse me, there are some problems in Baruta. You know we recently dismissed the CSE board president and secretary; and we already have sent two lawyers, Alfredo Blanco and Marcano [not further identified], to witness the vote tally, issue the necessary affidavit, and adopt whatever measures are necessary to settle any emergency.

[Reporter] Why so much delay and [words indistinct].

[Morales Paul] Gentlemen, the elections ended less than 48 hours ago.

[Reporter] The CSE had said [words indistinct] governors.

[Morales Paul] I am talking about two days. The CSE does not tally the votes. The votes are tallied by the electoral boards, the polling place officials, and the political parties representatives.

[Reporter] But the CSE issued an order. The CSE promised the governorate results would be known within the hour and the municipal authorities' results would be known within three hours. The elections ended two days ago and there is no....

[Morales Paul, interrupting] That was a projection based on what had been told, meaning the tallying machines would yield the results. The tallying machines have yet to yield the results. I have stated this clearly, without avoiding any responsibility.

[Reporter] Dr. Morales, that is precisely the other problem. People say the failure of these electoral machines is a maneuver by political parties, so that the vote tallying process is not mechanized completely in future elections.

[Morales Paul] What a coincidence. The people who said this are precisely the ones who now appear as winners. I would like them to file a complaint. This way we would not proclaim their victory. We would try to investigate their charges instead.

[Reporter] Does this mean the failure of machines occurred at the CSE?

[Morales Paul] I am not avoiding any responsibility. I admit it openly. However, regarding the failure of the machines, the companies are responsible for the failure because no technicians were sent, because there were power outages, and because we made some mistakes. One party is responsible for the failure of the machines in Bolivar State, because it tried to confirm the machines were set to zero and the mechanisms locked. We currently are evaluating all of this to admit publicly our responsibilities in this case. We are not trying to avoid them.

[Reporter] Why did the companies [words indistinct].

[Morales Paul] The appropriate measures will be adopted once the legal advisers ascertain who is responsible.

[Reporter] Doctor, what is your opinion about this obsolete Venezuelan electoral system? Do you believe a political consensus can now be achieved to mechanize a system that is now completely obsolete?

[Morales Paul] I would not say it is obsolete when compared to those that exist in the rest of the world. I will have you know that international observers and political systems analysts say that this is one of the best systems in the world!

[Reporter] Why is it so slow?

[Morales Paul] Because it is.

AD Chairman Blames Perez for Defeat in Elections

PA0812163692 Madrid EFE in Spanish 1413 GMT 8 Dec 92

[Text] Caracas, 8 Dec (EFE)—Venezuelan President Carlos Andres Perez has been made responsible by his party, the social democrat Democratic Action (AD), for the defeat sustained in the local elections held on 6

December. The party has threatened Perez with withdrawing their support if he does not change his neoliberal economic policy and if he does not make changes in his cabinet.

AD Chairman Humberto Celli acknowledged today the defeat in the regional and municipal elections of 6 December adding: "We are seriously considering not taking responsibility before the nation for a government that does not want to belong to a party."

Celli said the neoliberal model on which Perez is bent, besides having failed worldwide, "is contrary to the AD's social democratic tradition."

"AD has to recover immediately its image of a national revolutionary party, champion of the working class' social and economic concerns," Celli added.

In his harsh statements Celli said: "The party has been made responsible before the voters for the application of an economic project which has produced the impoverishment of the large masses and done away with the Venezuelan middle class."

Celli added that the AD national directorate should set out to Perez that "either he revises his neoliberal policy and makes changes in his cabinet, or our organization will seriously have to consider removing itself from the responsibility of appearing as a government party with a government that does not belong to the party."

"The application of a liberal economy spanning three years and 11 months has been fatal for the AD aspirations," added the leader of the official party, making reference to the time Perez has been in the Venezuelan presidency.

Celli assured that AD had obtained 35 percent of the votes on a national level and that "it has secured victory" in nine of 22 governorships, with the possibility of obtaining two more.

With these statements it appears the AD has started to distance itself from Perez and his government with an eye on the December 1993 presidential elections.

Copei Secretary General Steps Down

PA0912034692 Caracas Venezolana de Television Network in Spanish 2350 GMT 8 Dec 92

[Report by Zaida Pereira]

[Text] Eduardo Fernandez, secretary general of the Social Christian Party, Copei, has announced he has stepped down. Deputy Secretary General Jose Curiel will take over Fernandez's post.

[Begin recording] [Pereira] Fernandez said his decision seeks to foster a better image of his party and denied this is the start of his electoral campaign. Henceforth, he said, I leave most of the party's responsibilities in the hands of the Copei candidates who were elected governors. These governors will be tasked with two fundamental duties, he said. The first is to take steps to improve the living standard of the residents of their states. The second is to create a high-level commission to be in charge of organizing the Copei internal elections so the process will be honest.

[Fernandez] I am inviting the governors to become a team. The team of governors elected with the backing of Copei, although one of them does not even belong to Copei, those governors elected with Copei backing should make recommendations to guarantee the greatest possible honesty of the process to elect the presidential candidate next year. That way, when we pick the candidate, nobody should say there is a speck of doubt. The governors should recommend to us all the formulas that can guarantee to the people and the party the honesty of this process.

[Pereira] In his farewell, Fernandez thanked all the organizations and political parties that supported their candidates for mayor and governor and enabled them to achieve victory in most states. Fernandez also summoned all the governors elected in the different states to work with him to benefit the party and Venezuela. [end recording]

Isturiz Wins Caracas Mayoralty by 'Slight Margin'

PA0912024692 Caracas Venezolana de Television Network in Spanish 2350 GMT 8 Dec 92

[Text] Manuel Perez Borjas, chairman of the Libertador Municipality Election Board, has announced that the victory of Professor Aristobulo Isturiz will be proclaimed officially some time next week. He should assume the post of mayor of Caracas on 2 January 1993.

Radical Cause candidate Aristobulo Isturiz consolidated his victory in the Libertador Municipality mayoralty race by a slight margin of only 2 percent of the total number of votes counted. This percentage represents 10,000 votes. A bulletin issued by the Municipal Election Board states there were 434,519 valid votes and 53,596 null votes. The abstention rate was 59 percent.

[Begin Perez recording] Claudio Fermin, 139,236 votes or 32 percent; (Luis Blicet), 56,232 votes or 12.9 percent; Teodoro Petkoff, 69,850 votes or 16 percent; Bernard Orande, 1,415 votes or .3 percent; Aristobulo Isturiz, 149,796 votes or 34.4 percent; Gonzalo Monsalve, 1,511 votes or .3 percent; Luis Ernesto Molina, 2,507 votes or .5 percent; (Euclides Juguet), 3,284 votes or .7 percent; Maria Leon, 1,487 votes or .3 percent; (Mauricio Perez Badel), 1,536 votes or .3 percent; Pedro Amaral Rodriguez, 1,266 votes or .2 percent; Luis Gerdel Ceijas, 895 votes or .2 percent; Claudio Vaca Gallardo, 384 votes or 0 percent; Freddy Monroy, 222 votes [no percentage as heard]; and Maria Angela Gonzalez, 662 votes or .1 percent. [end recording]

Victory Causes 'Surprise'

PA0812170892 Madrid EFE in Spanish 0721 GMT 8 Dec 92

[Text] Caracas, 8 Dec (EFE)—The virtual victory of Aristobulo Isturiz, candidate of the leftist group Radical Cause (R Cause) to the post of Caracas mayor in the 6 December elections—as announced on the evening of 7 December by the Supreme Electoral Council [CSE]—has shaken Venezuelan political circles.

Isturiz is a 44-year-old black high school teacher who defeated, against all official odds, incumbent Mayor Claudio Fermin—who sought his reelection as candidate for President Carlos Andres Perez' ruling Democratic Action (AD) party.

The election of Isturiz—who received 4 percent more votes than Fermin, according to the CSE—has become the biggest surprise in the elections and his unexpected victory is being subject to all kinds of studies and interpretations by political experts and commentators.

R Cause's institutional presence in Caracas, termed as historical by some observers, acquires relevance if you bear in mind the government and state security organizations consider it an "almost subversive" movement given its disclosures about, and constant criticism of, the government's actions.

R Cause leaders have rejected all ties with extremist groups and they have accused the Army of trying to discredit the party and of unleashing a "dirty war" against them so that society is afraid of the group's evident progress.

"We will prove that we are not insane and that Venezuela can be ruled with honesty and decency," it was stated by Isturiz before hundreds of fellow party members who have gathered in front of the CSE since 6 December and "expect the people's decision will be respected" by confirming his victory.

The official proclamation of Isturiz' victory was preceded by great tension because his fellow party members suspected AD, the only party that did not recognize his victory until the last moment, would change the results and force Fermin's victory.

Isturiz said his victory and R Cause's victory have more merit if you take into consideration the fact they had no economic resources or a party infrastructure; they were vetoed by some television channels; and some R Cause representatives' houses were raided by the Directorate of Intelligence and Prevention Services on the eve of election day.

Despite these difficulties, the house-to-house work carried out by Isturiz and hundreds of fellow party members gave them a majority support from heavily populated neighborhoods in Caracas, where the Venezuelan capital's lower middle class and lower class live.

R Cause's leftist tendency has caused concern in conservative circles given the multiplying or imitation effect that its victory in the capital of the republic may have in other zones of the country when the next elections are held.

R Cause emerged from a steelworkers' labor union in Guayana, located approximately 700 km southeast of Caracas. Its leader, Andres Velasquez, was appointed governor of the province in 1989, and he was reelected to the post by an overwhelming majority.

Although Isturiz' victory calmed things down in Caracas, tension still prevails in other regions of the country where, 36 hours after the polling places closed, the winners have not been announced.

The situation is calm in most of the 22 states because those who won did it with a clear margin; but the tally is still too close in five states and several parties claim victory. This creates an atmosphere of confusion and suspicion which the authorities have been unable to prevent.

The opposition Christian Democratic Party, Copei, proclaimed victory in 13 states while the ruling AD claimed it had won in nine, the Movement for Socialism said it won six, and R Cause said it won in one. These figures are incompatible because the dispute only involves 22 governorates rather than the 29 you get by adding all the victories claimed by the parties.

* Long Term Financing for PDVSA Examined

93SM0047A Caracas EL NACIONAL in Spanish 15 Oct 92 p D8

[Article by Ana Diaz]

[Excerpts] The new long-term (10 years) petroleum policy has the approval of President Carlos Andres Perez and also of COPEI [Social Christian Party], AD [Democratic Action], and MAS [Movement Toward Socialism], to all of which Venezuelan Petroleum, Inc., [PDVSA] has been making a series of presentations concerning the policies to be followed in order to enable Venezuela to produce up to 4.5 million barrels per day of hydrocarbons. This strategy is designed to enable PDVSA to self-finance its programs and investments using innovative formulas in which participation by foreign companies plays a major role. [passage omitted]

Commenting on this long-term policy, sources in the petroleum sector declared that for the first time Venezuela would be establishing a long-range strategy designed to end the practice of resorting to improvised emergency solutions. The object is to enable the petroleum industry to avoid difficulties such as those of the present year and those anticipated for 1993, at a time when it does not have even the minimum financial resources for its operations and is burdened by the consequences of its rapidly growing debt of $5 billion ($2.8 billion contracted in 1992)—consequences which if

not mitigated could mean structural cash flow problems for PDVSA and the stagnation of its operations, coupled with a decline in its production potential because of a lack of the necessary financial resources.

Establishment of this long term policy is interpreted as indicating a qualitative change in the thinking of the top executives of the petroleum industry, who have conferred with the political sector and given it timely information concerning the need to find formulas that will make it possible to have a PDVSA with a strong competitive position in the international petroleum market of the future. PDVSA's current financial situation and the limitations on its ability to obtain financing on the national and international financial markets necessitate a change in direction that goes beyond strategic partnerships or the transfer of marginal or inactive oil fields.

The Formulas

In the competition to obtain financing for petroleum programs Venezuela must compete with Russia, Colombia, China, and Algeria—to mention only a few petroleum producing countries—which are developing aggressive policies that offer advantageous terms to the international oil companies. This situation makes it necessary to lay the foundations for a petroleum program that will enable Venezuela to remain competitive internationally over the long term.

There are other problems that must be solved, such as the provision of guarantees of legal security—guarantees that the laws will not be changed at the whim of whatever government is in power—as well as an attractive tax structure. Then there are the problems inherent in opening the way to foreign investment, and the question concerning the scope of the state "control" concept (Article 5 of the Nationalization Law) when the government is not in a position to be the majority stockholder in a corporation.

Among the formulas contained in the long-term strategy is an extension of the concept of the operating agreements to active oil fields, whereby the costs of the contractor (an international petroleum company) are acknowledged by providing compensation based on the sale prices. These operating agreements—similar to the service contracts of the past—can be concluded within the framework of Article 5 and without prior approval from the Congress of the Republic.

The operating agreements are instruments that were centered previously on the so-called inactive or marginal oil fields, and took shape last 31 July when contracts were signed with the Japanese firm Teikoku and the U.S. consortium Benton-Vinclair. The agreements with Shell and Lingoteras of Venezuela are pending (the deadline is 30 October). A new offer of this type of service contract to exploit oil fields will be made next month.

Another formula is to advertise internationally for bids on areas with petroleum potential that were not included in PDVSA's short and long-term programs for joint exploration and production operations in such areas by foreign companies and the national petroleum industry, whereby the latter gets the larger percentage of the production obtained. The applicable taxes are a 16.6 percent royalty plus a 30 percent income tax.

The strategic partnerships for the development of heavy and superheavy crudes in the Orinoco Strip continue to be a basic pillar of the long term petroleum policy; however, investment in the aforementioned programs will be renewed for between seven and 15 years, provided Congress ratifies the partnership agreements and they are signed promptly. Similarly, the partners will be able to exploit fields of light and medium crude that are in full production, bearing all costs themselves.

According to the PDVSA planners, these formulas will make it possible to solve the industry's pressing financial problem by using limited funds to implement its programs for maintaining current production and defraying the associated costs. In addition, they will make it possible to carry out the strategy for exploiting and refining the enormous reserves of heavy crude by means of very expensive projects that are technologically sophisticated and require secure markets.

* Opposition to Foreign Investment in Oil Sector

93SM0047B Caracas EL NACIONAL in Spanish 23 Oct 92 p D2

[Article by Ascension Reyes R.]

[Text] The majority of the opposition sectors reacted strongly in opposition to the announcement by Venezuelan Petroleum [PDVSA] President Gustavo Roosen in Washington with respect to the opening of active oil fields to exploitation by foreign investors, thereby reversing what had heretofore been the government's policy in petroleum matters.

MAS [Movement Toward Socialism] Secretary General Freddy Munoz voiced his concern over Roosen's statement. In his opinion, the government's petroleum policy is being made by the PDVSA.

"Venezuela," he said, "does not need partnerships with foreign capital in order to explore and exploit the so-called conventional crude oil deposits that have been the site of the activity of the operators, among whom PDVSA is the mother company."

In Munoz's opinion, the announcement by the president of the national petroleum industry indicates that "in an almost secret manner—without the knowledge of Congress or the public—a program of partnerships has been prepared for areas that have no reason to form partnerships with foreign capital."

This means, he said, that "a process of denationalization of the petroleum industry is apparently being initiated. It is a serious matter," he added.

Because of this situation, Munoz believes his proposal to open a debate on the petroleum question is pertinent—a debate during which PDVSA's general strategy would be discussed together with Cristobal Hernandez's motion calling for Gustavo Roosen to be questioned formally at a plenary session of the Chamber of Deputies.

He concluded by declaring that maneuvers designed to damage the nation's fundamental interests are being carried out.

Put Nationalization in the Constitution

Deputy Alvaro Silva Calderon (MEP [People's Electoral Movement]), a member of the Committee on Mining, agreed with Munoz. He pointed out that what has been announced in Washington appears to be purely and simply a process of denationalization of the future activities while nationalization remains in place for the existing activities in the hydrocarbons area.

Silva Calderon maintains that when it comes to petroleum policy, it is hard to understand the position of either the central government or the decentralized enterprises.

"On the one hand," he said, "the Chief Executive reportedly made statements in Germany in which he declared that he will keep the petroleum area under government control, whereas the other gentleman—PDVSA President Gustavo Roosen—declares that foreign private capital will be infused not only into the marginal oil fields but also into the active fields, that is to say, those that are in full production."

Silva Calderon said the statement is often made that such operations are covered by provisions of Article V of the Nationalization Law but emphasized that these provisions are designed to cover special cases. "It is therefore impossible," he said, "to use them to justify the participation of private capital in all the conventional areas of the industry or in the exploitation of heavy and extraheavy crude."

He declared that his party does not know whether this is a "trial balloon," but that in any case it endorses his position to the effect that the nationalization of the petroleum industry should be incorporated into the Constitution in order to avoid perverse interpretations or midnight negotiations and in order definitely to permit the infusion of private capital into the basic areas.

Treasonable Decision

Labor leader Radames Larrazabal commented that Roosen has administered a coup d'etat [as published] to the nationalization of petroleum. In his view, the decision is treasonable.

"It is in violation of Article 97 of the Constitution and also of Article 5," he said, " and it violates national sovereignty because it disregards the nation's constitutional and political precepts."

He declared that when bids were asked on the inactive oil fields,—using the argument that this would involve operating agreements—we could already discern the oncoming denationalization and the strategy of bypassing Congress with the intention of "handing the petroleum over to the transnationals."

"Approximately 17 petroleum deposits—including numerous producing wells that yield manifest profits—are not the same thing as inactive fields," Larrazabal said, "and therefore the formula for operating agreements could not function in this case."

Subject to Decisions by the Congress

Edgar Valle Valle, chairman of the Senate Committee on Mining, indicated that he supported the concept of partnerships with foreign capital.

He said these partnerships are effective for the purpose of enabling the PDVSA to meet its foreign obligations, to incorporate new technologies, and to solidify its markets.

He declared, however, that these partnerships can be formed on the basis of the decisions that the Congress may take in individual cases under the provisions of Article V of the Nationalization Law.

Valle Valle took the occasion to mention an event he described as positive, namely the announcement made by the minister of Energy and Mines that within the next few days he would introduce in Congress a law providing for the gradual elimination of duties on PDVSA's imports. He added that this action will help the petroleum industry to solve its cash flow problems and to begin investing in its expansion plans.

He emphasized that elimination of these import duties would leave 25 billion bolivares in the hands of that industry.

Nor did he fail to mention the position taken by the committee he heads concerning the increase in electricity rates.

In this connection he declared that the committee is exerting pressure to have this rate schedule not appear in the GACETA OFICIAL until it has been definitively studied and discussed.

"AD [Democratic Action] and COPEI [Social Christian Party]," he said, "have expressed their opposition, as have also the committees that were appointed to study the matter. We believe," he added, "that this obliges the president to reconsider the decision."

* COPEI Secretary General on Current Unrest

93SM0047C Caracas EL NACIONAL in Spanish 24 Oct 92 p D2

[Article by Alicia Aguilar]

[Excerpt] Greater caution in the management of foreign exchange policy has been recommended to the government by COPEI [Social Christian Party] Secretary General Eduardo Fernandez, who following several weeks of absence from Venezuela returned to the political campaign convinced that we Venezuelans should remember the words of U.S. President John F. Kennedy, who declared: "We should not ask what our country can do for us, but rather what we—all of us—can do for our country." [paraphrase as published]

Using these words—with which he said he was in complete agreement—Fernandez urged Venezuelans to prepare to vote in next December's elections, which he described as the appropriate opportunity to "put an end to the government's mistakes."

"We are going to defeat the government, but not with stones and not with bullets," Fernandez said. "We are going to remove the government and its mistaken policies with our votes. We are going to defeat the corruption and the bad public services with our votes, and we are going to vote for those governors who care about the people, about the children and the elderly."

Fernandez wondered how Carlos Andres Perez and his retinue will react if on 6 December a majority of Venezuelans vote for the opposition, "which," he said, "is of course led by COPEI."

"Venezuela," he said, "will render a verdict against the errors that Perez has committed. This is our great opportunity to defeat him."

Among the errors that the COPEI leader ascribed to the Perez administration was its inability to prepare the draft budget for 1993, which by law should be ready this month.

"I regret," Fernandez said, "that the government is doing poorly in this area, because by this time of the year the budget problem should already be resolved, especially in view of the fact that the Venezuelan people are experiencing great difficulty because their incomes do not suffice to buy food for themselves. It seems to me," he added, "that government spending should be oriented toward solving the basic problems of the community, and that these problems should be addressed in the national budget."

In this same vein he criticized the handling of the foreign exchange situation, which has taken the price of U.S. currency to the highest levels in Venezuela's economic history, as for example last Friday when the U.S. dollar reached a high of 78.40 bolivares.

"In this connection," Fernandez said, "there is a problem of confidence. Unfortunately, any fluctuation in the price of the bolivar against the dollar impacts the pocketbooks of all Venezuelans. I therefore recommend that a very cautious foreign exchange policy be followed, so that the bolivar can be viewed as a stable currency."

Addressing the subject of the climate of social discontent that is manifested in the profusion of social protest and the lack of personal safety, Eduardo Fernandez insisted that violence solves nothing. "In Venezuela we need an atmosphere of peace, work, and calm. The only way to improve our country is for each of us to contribute his or her effort toward making it better."

"What is your position on the crime that reportedly took place in Paraguaipoa, which has been denied?" I asked.

"I do not know," he answered. "I was not in Venezuela at the time." [passage omitted]

* FAN Inspector General on Border Security

93SM0047D Caracas EL NACIONAL in Spanish 13 Oct 92 p D22

[Interview with FAN Inspector General and Major General of the Army Oswaldo Suju Raffo by correspondent Berenice Gomez Velasquez; place and date not given]

[Excerpt] "The FAN [National Armed Forces] are carrying out constant surveillance and supervision of all activities in the border areas, through the medium of the Garrison Commands and the various Task Groups," declared FAN Inspector General and Major General of the Army Oswaldo Suju Raffo.

We Know It Is Difficult

In Gen. Suju's opinion, it is not an easy task.

[Suju] It is a mission that is quite arduous and difficult, because there are special conditions in these regions: special geographical, meteorological, atmospheric, and social conditions. We have a very long border. It is impossible to have a soldier stationed every 10 meters to control the frontier.

[Gomez] Then how do you manage?

[Suju] By carrying out a large-scale adaptation of our human, military, logistic, and—above all—aerial assets in order to be able to fulfill our mission efficiently in such a remote region.

The South: A Forgotten Zone

Near our southern border, in the states of Bolivar and Amazonas, the situation is very complex, inasmuch as it has regrettably been one of the most neglected borders. It is a region of great importance because its natural resources and minerals are essential for Venezuela's future.

The relative inaccessibility of the area, and the great expanse of the region, have made it difficult to undertake the construction of border protection bases, although for years we have been trying to establish more of them. [end Suju]

Gen. Suju explains that the characteristics of the terrain and the vast expanse of forest—which is accessible only by air or sometimes by river—limit the operations for control of the area.

He emphasizes that the control operations are conducted jointly by the four branches of the FAN. He says that because these operations are subject to weather conditions and the characteristics of the terrain, their execution is dependent on favorable conditions.

[Suju] This effort to ensure the security of the border naturally seeks to reduce the feeling of insecurity that prevails everywhere along the Venezuelan border, and to enable the Venezuelans and foreign nationals who work there to do so in an atmosphere of calm and to feel that their personal safety is not threatened.

This effort must have the support not only of the government and private enterprise but also of all Venezuelans, who need to cooperate by providing information so that action can be taken before a crime is committed.

Taking Care of Our Personnel

We in the military must of course go to any region in Venezuela where our presence is required or needed. But we must also care for our personnel, who are the most important part of the our institution.

[Gomez] Is the south very dangerous?

[Suju] Yes. There are days and periods of the year—especially during the rainy season—when visibility is reduced, the cloud cover descends, and it is too risky and irresponsible to carry out aerial operations that would endanger our personnel. When conditions are favorable for us, however, we are constantly patrolling, and we are now planning to increase our presence in the region. [end Suju]

Plunderers Increasing in Number

Suju said that intelligence has recently been received to the effect that there has been an increase of illegal miners in the southern region of Bolivar State and in the southernmost part of Venezuela—the Cerro de La Neblina in Amazonas State.

[Suju] Because of the close proximity to Brazil, it is presumed that these miners are from that country. They have caused destruction, but not on the scale that can be seen in mining areas of Bolivar State. They are just beginning their destructive labor, both on the Venezuelan and the Brazilian side. [end Suju]

Gen. Oswaldo Suju then spoke of the destruction on Yacapana Hill.

[Suju] We discovered a group of 50 miners there less than one month ago and arrested them. Half were Colombians and the other half Venezuelans and Brazilians.

These patrol and control operations must be continuous. We cannot allow these activities, because they destroy the environment. I have always maintained that mining is an activity that is perfectly possible and compatible with the environment, always provided it is carried out in a rational and technically correct manner.

What happens is that these illegal miners—merely in order to obtain more valuable minerals—do not care if in a matter of days or weeks they destroy a hill, contaminate the sources of the rivers, divert the channel of a stream or river, and cause ecological damage that will take centuries to repair. [end Suju]

This is why Suju believes the FAN and all Venezuelans must be on their guard and strive to prevent this criminal destruction, in order to protect the future of the Venezuelan people.

A Little Farther Upstream

[Gomez] What about the Colombian border?

[Suju] There we have the activity of the armed gangs that are in constant conflict with the Colombian FAN. This is the reason for the lack of security in that region: for the kidnappings, the narcotics traffic, the smuggling, the cattle rustling, and all the criminal activity in the area that is a constant source of great concern to the local residents. [end Suju]

Gen. Suju maintains that thanks to the increased efforts of the Task Groups and the joint operations of the FAN, these crimes have been reduced to a minimum.

[Suju] For example, the cattle raisers and workers in the region feel protected by the presence of the FAN, and can work accordingly at their normal pace.

[Gomez] Has there been a decrease in these crimes in direct proportion to the presence of the FAN in the border region?

[Suju] Yes, there has definitely been a decrease in frontier crime. We cannot yet say that it has been reduced to an absolute minimum, because it is a very extensive border region where armed Colombian groups have remained for years.... The Armed Forces of our neighboring country have been unable to eliminate either them or their activities. It is a situation that naturally affects us.

Without a Border Policy

All this is compounded by the fact that there is no really integrated policy concerning our borders, as we have stated on many occasions—a policy that would make it possible for Venezuelan communities to be formed along our borders to protect them by their physical presence and their social activities. [end Suju]

Gen. Suju said our borders are unprotected because people are not going to move to a new location with their families if they know they will have neither the services nor the facilities they need there and will not have minimum security for their lives and property. [passage omitted]

Guyana

Court Hears Motion on Prime Minister Appointment

FL0812215592 Bridgetown CANA in English 2034 GMT 8 Dec 92

[Text] Georgetown, Guyana, Dec 8, CANA—A Guyana high court judge hearing a constitutional motion challenging the appointment of Prime Minister Sam Hinds on Tuesday [8 December] set December 21 for the start of legal arguments in the case.

Arthur Alexander, a lawyer for Noel Elliot, a private citizen who filed the motion, told CANA both parties in the case had already filed affidavits before Justice James Patterson.

"All the affidavits have been filed by both parties so it is just a question now of arguments on the main question, that is, whether Sam Hinds was legally sworn in as prime minister of the co-operative Republic of Guyana," Alexander said.

Alexander, a parliamentarian for the main opposition People's National Congress (PNC), said the case was premised on the argument that Hinds' appointment contravened Article 1:01 of the Guyana Constitution, which states that the president shall appoint an elected member of the National Assembly to the post of prime minister.

"We are contending that until the list of members (of parliament) has been submitted to the chairman of the elections commission, that person is not a member of the National Assembly, and thus cannot be sworn in as prime minister." Elliot is contending that Hinds was not an elected member of parliament at the time of his appointment.

Hinds, a 48-year-old Canadian-trained chemical engineer, was sworn in by President Cheddi Jagan in mid-October. His People's Progressive Party/Civic Coalition, however, did not submit its list of parliamentarians until late November.

Under Guyana's system of proportional representation, voters cast their ballots for a slate of candidates put up by contesting political parties. The party subsequently submits the list of its parliamentary representatives, reflecting the percentage of the vote the party received in the election.

Guyanese went to the polls on October 5 and elected the PPP/Civic Coalition in what was the first change of government here in 25 years.

Opposition Declines Comment on Green Resignation

FL0812182692 Bridgetown CANA in English 1805 GMT 8 Dec 92

[Text] Georgetown, Guyana, Dec 8, CANA—Guyana's main opposition party, the People's National Congress (PNC), has remained quiet on the resignation of its deputy leader, former Prime Minister Hamilton Green.

Green, dropped from the PNC's new parliamentary list after serving in the National Assembly since 1969, announced at a news conference last Saturday [28 November] he was stepping down because of "different philosophical approaches" by himself and party leader Desmond Hoyte.

Asked about Green's resignation, the chief executive officer of the PNC, Malcolm Parris, told CANA: "I don't have anything to say."

Former President Hoyte was unavailable for comment.

A source at the party's Congress Place Sophia headquarters told CANA Tuesday that Hoyte was upset over reports in Tuesday's edition of the privately-owned STABROEK newspaper which said former Deputy Prime Minister Winston Murray was "tipped" to replace Green as deputy leader.

It reported Murray, who had held the trade, industry and tourism portfolio, and former Deputy Prime Minister and PNC campaign manager Robert Corbin, were frontrunners for the top post.

The paper quoted well-placed sources as saying Hoyte will "stay his hand on appointing a deputy leader to fill the void". "Everything is going to wait until Congress next year," it quoted a source as saying.

Cocaine Fines Stimulate State Security Measures

FL0812184692 Bridgetown CANA in English 1824 GMT 8 Dec 92

[Text] Georgetown, Guyana, Dec 8, CANA—State-owned Guyana Airways has been fined over US1.5 million dollars by U.S. authorities for drug discoveries aboard its aircraft this year, a Guyana Airways Corporation (GAC) official said Tuesday [8 December].

GAC spokesman Lennox Canterbury told CANA U.S. authorities had discovered nearly 20 pounds of cocaine in a mailbag aboard a GAC aircraft at New York's John F. Kennedy Airport a month ago.

There was the possibility of an additional fine. "The suggestions are that Guyana Airways will face a fine for this," Canterbury said.

The privately-owned STABROEK NEWS reported Tuesday that the airline faced over US1.5 million dollars in fines and could have a further US273,600 dollars added because of the November cocaine discovery.

Canterbury said Guyana Airways was doing its best to improve internal security arrangements. He said the fines would not shut down the airline but could hurt its viability.